

# World Growth Fund



## HIGHLIGHTS:

- *The Fund gained 6.4% in the first quarter and is up 15.3% over the past year.*
- *Equities rallied especially in the U.S. as economic growth and corporate earnings remained resilient to high interest rates.*

The Fund gained 6.4% in the first quarter and is up 15.3% over the past year. The net asset value (NAV) per share as of March 28 was US \$1.1796. Net assets of the Fund were US \$9.6 million, up from \$7.5 million this time last year. The Fund's annual compound rate of return since inception in January 2021 is 5.4% per year. The portfolio is invested in high-quality, well-valued shares in U.S., international and emerging markets.

Global equities started the year on a positive note, with broad gains across sectors and geographies. The Fund's core holdings in U.S., international and emerging equities returned 10.4%, 3.6% and 0.4% respectively, for the quarter. Investors reacted positively to resilient corporate earnings and to the spread of artificial intelligence applications that could benefit the largest technology companies. U.S. economic data were surprisingly strong, and inflation unfortunately ticked higher in January and February. The U.S. Federal Reserve (Fed) shifted from talking about upcoming rate cuts to more of a "wait and see" mode that could see rates stay higher for longer. The shift put pressure on bonds, but stocks largely shrugged off the news. The S&P 500 index of large U.S. stocks rallied 10%, while international stocks gained 4% and emerging markets lagged with a 1% gain. Strength in Japanese equities continued, with the Nikkei index posting a quarterly return of 20% in local terms, and 12% in U.S. dollars, as the yen weakened. Just over 10% of the Fund's portfolio is invested in Japan where valuations remain reasonable, and earnings continue to improve.

While much of the action in global equities in recent years has been in the U.S., substantial parts of that market are now trading at high valuations that leave little room for error. Valuations elsewhere in the world, by contrast, are far better. Right now, there are excellent investments to make in Europe, Asia, Canada and emerging markets like Brazil, Mexico, and China – as well as some select areas of the U.S. Return prospects remain very good in this part of the investing world. On a look-through basis the Fund's global equity investments now have an average price/earnings ratio of 13.8x and dividend yield of 2.7%, significantly better valuations than the broad market averages and levels consistent with meaningful long-term returns.

*The Fund is open to all new subscriptions in U.S. dollars.*

## FUND OBJECTIVE

Long-term growth from diversified investment in global equities.

<b>Currency</b>	<b>US\$</b>
Dealing	Weekly on Fridays
Minimum Investment	US \$1,000
Net Asset Value Per Share	US \$1.1796
Fund Net Assets	US \$9,614,933
Fund Inception	Jan 29, 2021

## INVESTMENT RETURNS

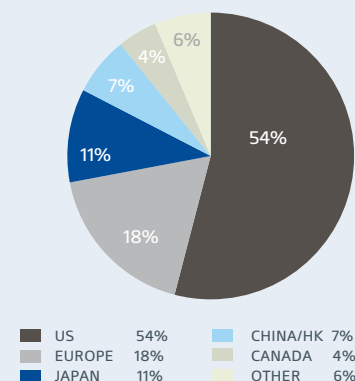
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
<b>Fortress</b>	<b>6.4%</b>	<b>15.3%</b>	<b>3.3%</b>	<b>n/a</b>	<b>5.4%</b>
Index	8.1%	23.2%	7.0%	10.9%	8.3%

Periods longer than one year are annual compound returns. Fund returns are net of fees.

## NAV SINCE INCEPTION TO MARCH 31ST, 2024



## GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



## TOP ALLOCATIONS

Holding	Weight
Fortress US Equity Fund	49.3%
Fortress International Equity Fund	37.9%
Fortress Emerging Markets Fund	11.7%
Cash reserves	1.1%
<b>Total</b>	<b>100.0%</b>

## TOP 10 UNDERLYING HOLDINGS

Holding	Weight
US DOLLAR CASH	4.5%
GENERAL DYNAMICS CORP	2.0%
META PLATFORMS INC-CLASS A	2.0%
CELANESE CORP	1.9%
SMITH (A.O.) CORP	1.9%
CHECK POINT SOFTWARE TECH	1.8%
VERTEX PHARMACEUTICALS INC	1.8%
TRACTOR SUPPLY COMPANY	1.8%
TOKYO ELECTRON LTD	1.8%
BERKSHIRE HATHAWAY INC-CL B	1.8%

## EXPENSES

**Manager:**  
1.25% of net assets per annum

**Custodian:**  
0.05% of net assets per annum

**Administrator:**  
0.075% of net assets per annum

**Redemption charge:** 2% on redemptions made within 3 months of purchase. All other times, none.

**Where allocations are made to other Fortress funds, management fees are rebated to the Fund to avoid double charging.**

## MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

## CUSTODIAN

SigniaGlobe Financial Group

## AUDITORS

EY Barbados

## ATTORNEY-AT-LAW

Clarke Gittens Farmer

## DIRECTORS

Roger Cave, Chairman  
Ruth Henry  
John Howard  
Greg McConnie  
Maria Nicholls  
Tracey Shuffler  
John Williams

Please see the **Offering Memorandum** for further important information.

# World Fixed Income Fund



## HIGHLIGHTS:

- *The Fund declined 0.5% in the first quarter and is up 0.8% over the past year.*
- *Bond prices weakened again as U.S. inflation data were stronger than expected and interest rate cuts got pushed farther into the future.*

The Fund declined 0.5% in the first quarter and is up 0.8% over the past year. The net asset value (NAV) per share as of March 28 was US \$0.9254. Net assets of the Fund were US \$5.5 million, compared to \$5.7 million this time last year. The Fund's annual compound rate of return since inception in January 2021 is -2.4% per year. The portfolio is invested in a diversified portfolio of primarily high-quality US\$ bonds.

Global bond prices declined in the first quarter as interest rates rose on stronger than expected economic growth and inflation readings in the U.S. This came after the U.S. Federal Reserve (Fed) moved to an easing bias late last year and prompted investors to reassess just how quickly the Fed might be able to cut its target rate this year. Inflation remained above the target of 2% and accelerated slightly in January and February, while labour market conditions remained tight. As the Fed adjusted to more of a "wait and see" stance, the pace of rate cuts priced into bond prices moved lower and yields rose, especially in shorter maturities. During the quarter, the U.S. 10-year Treasury yield rose to 4.2% from 3.9%, while the two-year yield increased to 4.6% from 4.2%. Corporate spreads tightened and high yield bonds held their value better than treasuries and investment grade corporates. The Bloomberg Aggregate Index market return was -0.8% for the quarter.

Against the backdrop of higher rates, the Fund's portfolio outperformed its benchmark but still showed a decline for the quarter. As inflation persisted, the Fund's holdings of inflation linked bonds performed well and its allocations to emerging market bonds gained slightly. No one knows when the Fed will start cutting rates, or how far they will cut. But that time is drawing closer: since the last rate hike in July 2023, the Fed has now held rates steady at five consecutive meetings. In the meantime, bond yields provide investors with healthy yields, and the potential for meaningful gains when rates fall. The Fund's portfolio is positioned to benefit in a range of possible outcomes. We have recently been extending term gradually while maintaining substantial holdings in floating-rate notes. The average term to maturity of the Fund's portfolio is a little longer now at 7.3 years and the average gross yield is 5.0%, a good estimate of its medium-term return potential.

*The Fund is open to all new subscriptions in U.S. dollars.*

## FUND OBJECTIVE

Steady returns over the medium-term from diversified investment in high-quality bonds.

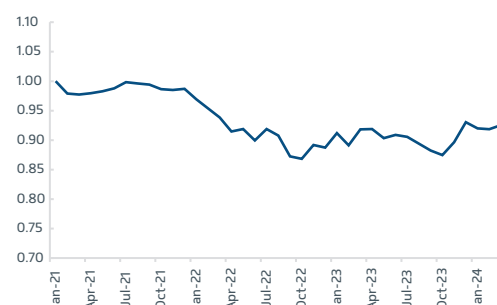
<b>Currency</b>	<b>US\$</b>
Dealing	Weekly on Fridays
Minimum Investment	US \$1,000
Net Asset Value Per Share	US \$0.9254
Fund Net Assets	US \$5,492,759
Fund Inception	Jan 29, 2021

## INVESTMENT RETURNS

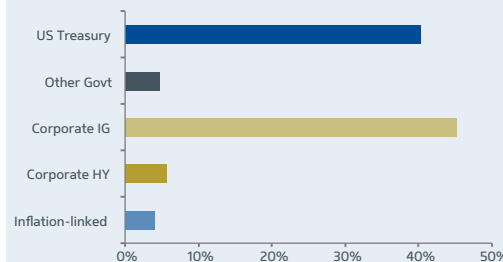
	3 Mo	1Yr	3 Yrs	5 Yrs	Incept.
<b>Fortress</b>	<b>-0.5%</b>	<b>0.8%</b>	<b>-1.8%</b>	<b>n/a</b>	<b>-2.4%</b>
Index	-0.8%	1.7%	-2.5%	0.4%	-3.2%

Periods longer than one year are annual compound returns. Fund returns are net of fees.

## NAV SINCE INCEPTION TO MARCH 31ST, 2024



## BOND TYPE SUMMARY OF PORTFOLIO



## CURRENCY EXPOSURE

USD 100%

## TOP ALLOCATIONS

Holding	Weight
Fortress Fixed Income Fund	99.6%
Cash reserves	0.4%

## TOP 10 UNDERLYING HOLDINGS

Holding	Weight
US TREASURY N/B 2.875 8/15/2028	11.0%
US TREASURY N/B 4.25 5/15/2039	10.6%
US TREASURY N/B 2.25 8/15/2049	9.1%
TREASURY BILL 0 9/19/2024	6.8%
TSY INFL IX N/B 0.125 2/15/2052	4.0%
US TREASURY N/B 2.25 2/15/2027	2.6%
ISHARES JPM USD EM BOND	2.4%
JPMORGAN CHASE & CO FLOATING 1/23/2028	2.4%
ABBVIE INC 2.95 11/21/2026	2.3%
GOVT OF BERMUDA 3.717 1/25/2027	2.3%

## EXPENSES

**Manager:**  
0.60% of net assets per annum

**Custodian:**  
0.05% of net assets per annum

**Administrator:**  
0.075% of net assets per annum

**Redemption charge:** 2% on redemptions made within 3 months of purchase. All other times, none.

**Where allocations are made to other Fortress funds, management fees are rebated to the Fund to avoid double charging.**

**MANAGER & ADMINISTRATOR**  
Fortress Fund Managers Ltd.

**CUSTODIAN**  
SigniaGlobe Financial Group

**AUDITORS**  
EY Barbados

**ATTORNEY-AT-LAW**  
Clarke Gittens Farmer

## DIRECTORS

Roger Cave, Chairman  
Ruth Henry  
John Howard  
Greg McConnie  
Maria Nicholls  
Tracey Shuffler  
John Williams

Please see the **Offering Memorandum** for further important information.