



Dear fellow investors,

The second quarter was relatively quiet, with little change in the Fortress funds. The Caribbean Growth Fund declined marginally, and the Caribbean High Interest Fund had a modestly positive return.

This quarter the big news was about interest rates. After more than two years of tight monetary policy in major economies, this quarter saw the first rate cuts and the beginning of what is expected to be an easing cycle leading to lower interest rates around the world. Switzerland, the European Central Bank and Canada all cut interest rates in recent weeks from relatively high levels. There is room for them to cut more. And there is room for the U.S. to join in too as economic data moderate. This possible new trend is important because all things being equal, lower interest rates support prices of financial assets like stocks and bonds. We've seen recently how higher rates have had the equal and opposite effect on many parts of the market.

As interest rates fall, bonds are the most direct beneficiaries as their prices increase mathematically to align with lower yields. Next in line will likely be "bond-like" shares of companies, in the U.S. and globally, whose operations are resilient and steady, and whose share prices have been pushed lower in the last two years by rate hikes. These are the kinds of companies where we invest and we expect to see gratifying returns in the coming months and years as the post-pandemic inflation eases, interest rates moderate, and the hype surrounding some technology shares inevitably fades – perhaps along with their prices.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

declined 2.7% in the second quarter and is up 2.2% over the past year. After strength to start the year, global investments were lower and Caribbean shares continued to weaken.

THE CARIBBEAN HIGH INTEREST FUND

gained 0.4% in the second quarter and is up 3.4% over the past year. Higher income offset bond price declines as the U.S. did not yet follow other countries in cutting interest rates.

THE CARIBBEAN PENSION FUND

returns ranged between -2% and unchanged in the second quarter and are up between 3.0% and 3.3% over the past year. Bond returns were positive while global and regional equities largely declined.



Still curious?

We think keeping our investors informed is an important part of our job. Please check www.fortressfund.com for additional resources like episodes of our personal finance podcast Do it Fuh Grantley and replays of events like the annual Fortress Investment Forum. You can also follow us on social media or sign up to receive short, periodic updates from our corner of the investing world.



Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund declined 2.7% in the second quarter and is up 2.2% over the past year.*
- *After a strong start to the year, global investments were lower this quarter while Caribbean shares continued to weaken.*

The Fund declined 2.7% in the second quarter and is up 2.2% over the past year. The net asset value (NAV) per share as of June 28 was \$7.4158. Net assets of the Fund were \$645 million, up from \$625 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 7.6% per year. Its portfolio remains well diversified by security, geography, and currency.

Global equities gave back some of the broad gains seen in the first quarter, with positive quarterly returns in only a few sections of the market. In the U.S., a small group of the largest technology shares saw outsized gains, while most other sectors were little changed or down. The U.S. Federal Reserve (Fed) kept interest rates unchanged as inflation remained above its target, and investors scaled back expectations for rate cuts later this year. This contrasted with monetary policy in other parts of the world where central banks in Canada, Europe and Switzerland began cutting interest rates. The Fed's decision to keep rates higher for longer weighed on most stocks even though some indexes were up. The standard, capitalisation-weighted S&P 500 index ended the quarter up 4% while the equal-weighted index of the same shares declined 3%, highlighting the disparity in gains between the largest (growth) companies and the rest of the market. Developed international equities weakened in local and U.S. dollar terms. Emerging markets were slightly stronger, led by Chinese shares which rebounded sharply after a period of prolonged weakness. China was unique within emerging markets, though, as most other areas (like Brazil) saw declines. Overall, the Fund's core allocations to the Fortress Global Funds declined between 1% and 3%. Among the Fund's specialist allocations, the Templeton Asian Smaller Companies Fund gained 3%.

Caribbean equities had another weak quarter. The Jamaica and Trinidad indices fell 4% and 6% respectively, while the Barbados index declined 3%. NCB Financial Group (NCBFG), one of the region's largest financial institutions, raised capital via an additional public offering of shares at a discounted price. This seemed to weigh not only on NCBFG's shares but on others around the region. Guardian Holdings and Massy Holdings were down 7% and 8% respectively during the quarter. One small pocket of strength was Eppley Property Fund Value (CPFV) in Barbados which was up 6%. It continues to trade at a meaningful discount to NAV and with a healthy dividend.

During the quarter, we took profits on the Fund's U.S. Regional Bank ETF position and switched into similarly valued positions with greater diversification. In the Caribbean, we added to CPFV and Goddard Enterprises at what we consider very good valuations. Our outlook for the Fund's global investments remains positive, as the portfolio is positioned (as always) in high-quality shares trading at reasonable valuations. The outlook is less healthy, we believe, among highly priced shares in the U.S. where extreme optimism leaves little room for error as U.S. elections and possibly slower economic growth approach.

The Fund continues to be open to all new subscriptions.

FUND OBJECTIVE

Capital growth over the long term. The Fund uses a value approach to invest primarily in Caribbean and international equities.

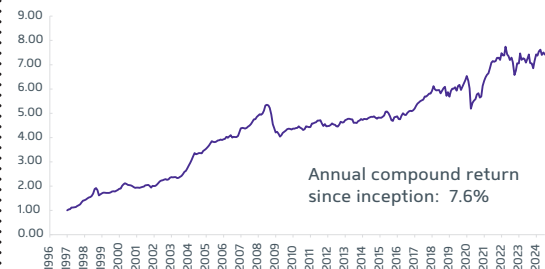
<i>Dealing</i>	Weekly on Fridays
<i>Net Asset Value per share</i>	\$7.4158
<i>Fund Net Assets</i>	\$644,876,186
<i>Fund Inception</i>	Dec 9, 1996

INVESTMENT RETURNS

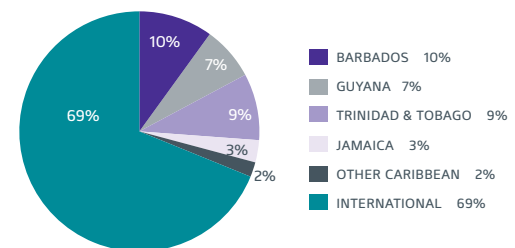
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	-2.7%	2.2%	1.2%	3.9%	7.6%
Jamaica	-4.5%	-5.3%	-10.3%	-10.6%	5.6%
Trinidad	-5.7%	-7.1%	-7.0%	-4.2%	6.8%
Barbados	-2.9%	14.0%	5.8%	-2.4%	3.1%
MSCI World	2.8%	20.8%	7.4%	12.3%	7.8%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2024



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country/Region
1 Fortress International Equity Fund	International
2 Fortress US Equity Fund	US
3 Fortress Emerging Markets Fund	International
4 Berkshire Hathaway Inc Class B	US
5 Templeton Asian Smaller Companies	International

EXPENSES

Manager:
1.75% per annum on the first \$500 million of net assets
1.50% per annum on remaining balance of net assets
Custodian:
0.0875% on first \$30M in net assets
0.075% on amounts over \$30M in net assets
Administrator:
0.10% on the first \$30M in net assets
0.0875% on amounts over \$30M in net assets
Redemption Charge: none
Initial Charges: 2%
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 our **Fund Prospectus** for further important information.

Caribbean High Interest Fund



HIGHLIGHTS:

- *The Fund gained 0.4% in the second quarter and is up 3.4% over the past year.*
- *Higher coupon income offset bond price declines, as the U.S. did not follow other countries in beginning to cut interest rates.*

The Fund gained 0.4% in the second quarter and is up 3.4% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of June 28 was \$2.1830, while the Distribution share finished at \$1.0434. Net assets of the Fund were \$138 million, down from \$142 million this time last year. The Fund's annual compound rate of return since inception in 2002 is 3.6% per year. Its portfolio remains as diversified as possible across various issuers, industries, geographies, and terms to maturity.

U.S. bonds traded lower in the second quarter, as yields rose to reflect a longer wait for rate cuts from the U.S. Federal Reserve (Fed). This quarter marked the start of rate cuts in some parts of the world. The Bank of Switzerland, European Central Bank and Bank of Canada all lowered their target rates by 25 basis points, justified by lower inflation in those areas. But there were no cuts yet in the U.S. After accelerating slightly in April, U.S. economic data again gradually softened. The Consumer Price Index (CPI) in May came in at a 3.3% annual rate and was unchanged for the month. On the labour front, the unemployment rate rose to 4% by quarter end and while the labour market remained strong overall, signs of cooling in many areas continued to emerge. Despite these more moderate data points, the Fed only hinted that rate cuts could come later but did not act yet. The U.S. 10-year Treasury yield rose to 4.4% from 4.2% during the quarter, while the two-year yield increased to 4.8% from 4.6%. Despite heavy new issuance, credit spreads remained stable at relatively tight levels. The Fund's core allocation to the US\$ Fortress Fixed Income Fund outperformed its benchmark with a small gain for the quarter, while our allocations to emerging market bonds were down marginally.

The primary U.S. bond index was about flat for the quarter, despite rates rising and bond prices falling. This is because lower bond prices are being buffered by higher coupon income. The U.S. yield curve remains inverted out to five years, which means the market has already priced in rate cuts in coming years, suggesting economic moderation or even weakness is around the corner. This expectation would normally mean wider credit spreads but for now spreads remain tight. We will see how long this can last. Within the Fund's U.S. holdings, we continue to favour the highest quality corporate issuers.

In Barbados, the local bond market continued to see the routine issuance of Barbados (GOB) Treasury Bills. Among local corporates, there are some new issues in the works, but none have come to market yet. The Fund's existing holdings performed as expected, and some GOB positions were marked slightly higher. Cash in the Fund is now 11%, higher than desired but improving each quarter. The average term to maturity of the Fund's portfolio is six years and the gross yield is up to 4.5%, a good estimate of its medium-term return potential.

The Fund is currently open only to monthly savings programmes and pensions. It remains closed to new lump sum investments.

FUND OBJECTIVE

Income and capital preservation over the medium term. The Fund actively invests in a diversified portfolio of primarily Caribbean and international debt securities.

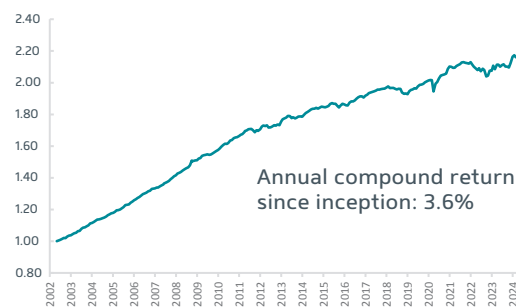
<i>Dealing</i>	Weekly on Fridays
<i>Net Asset Value per share</i>	\$2.1830/ \$1.0434
<i>Fund Net Assets</i>	\$137,774,422
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

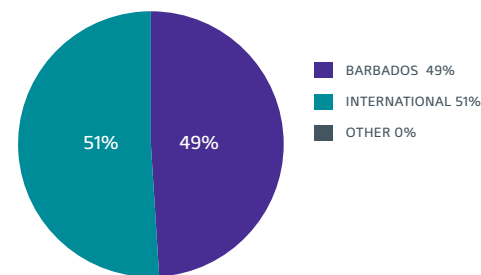
3 Months	1 Year	3 Years	5 Years	Inception
0.4%	3.4%	1.0%	2.0%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2024



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country
1 Fortress Fixed Income Fund	International
2 Fortress World Fixed Income Fund	International
3 Barbados Series B Sep 30, 2033	Barbados
4 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
5 GEL Note Nov 30 2024	Barbados

EXPENSES

Manager:
1.75% per annum on the first \$500 million of net assets
1.50% per annum on remaining balance of net assets
Custodian:
0.0875% on first \$30M in net assets
0.075% on amounts over \$30M in net assets
Administrator:
0.10% on the first \$30M in net assets
0.0875% on amounts over \$30M in net assets
Redemption Charge: none
Initial Charges: 2%

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 our **Fund Prospectus** for further important information.

Caribbean Pension Fund



HIGHLIGHTS:

- The CS share remained unchanged, while the AA and CC shares returned between -2% and -1.5% in the second quarter. The three classes of shares are up between 3.0% and 3.3% over the past year. Bond returns were positive while global and regional equities largely declined.
- Returns by class of share are shown in the table to the right.

Price is what you pay

We often think of “price” and “value” as one and the same. The eggs purchased at the grocer, we generally consider to be worth exactly what we paid for them. The transaction seems equitable. But what about the prospective landlord-to-be? Having just purchased property and renovated a new apartment building, do we think this asset is as valuable as the price paid to get it? Why spend all that money, we would say, to only derive an equivalent amount of value? No, the landlord believes that the rental income to be earned will in time exceed the price paid.

Value is what you get

Our successful landlord must also be happier during times of depressed housing prices and cheaper building materials because it presents a new opportunity to acquire productive assets at a discount. We would not expect them to be concerned with what price the market is willing to pay for their building every day. The market only serves to inform them of what is available – nothing more. And likewise, it's much easier to see the value in being able to buy apples, or eggs, at discount than it is with the purchase of something like company shares. Invisible though that value may seem, the value underlying long-term investments is just as real.

The investor and market fluctuations

On our road towards retirement, we must always remember that we will be saving for the majority of our years. We should therefore not quarrel when the market quotation on our shares falls temporarily. Fluctuations are normal, and as net savers, discounts in the market are opportunities for us. Any chance to acquire more of a good thing, such as shares in your soundly run mutual fund, should bring excitement, not worry. We want to, in all ways, look to true value of these assets and think well beyond just today's ups and downs in prices.

Investors in the Pension Fund typically select from three different classes of shares, based on personal circumstances and risk tolerance. These classes differ in how their assets are spread across the major asset classes of equities, bonds, and real estate and other assets. The graphs show how each of the classes (AA, CC, CS) is allocated currently. The reports on the Caribbean Growth Fund and Caribbean High Interest Fund on pages two and three of this quarterly report give you a direct look into the performance, positioning and outlook for the major underlying investments in the Pension Fund.

Fortress is a leading provider of investment management and pension administration services to defined contribution (DC) and defined benefit (DB) pension plans of all sizes.

In addition, our proprietary pension products serve companies and employees both before and after retirement:

Fortress Multi-Employer Pension Plan

- Complete outsourced solution helps companies bypass the expense and burden of maintaining a standalone pension plan.
- Each company selects their own suite of plan details including eligibility, vesting periods, contribution rates, and retirement age.
- As a participant, you select your own investment option from the three classes of the Fortress Caribbean Pension Fund.

Personal Pension (RRSP)

- Individual account for investing your own pension savings.
- If you change employers your accumulated pension savings can be transferred into an RRSP and remain invested as you select.

INNOVA Lifestage Income Plan

- An alternative to low rates on fixed annuities after retirement.
- You stay invested even in retirement and draw down a variable monthly pension from your own investment account.
- Any unwithdrawn amount forms part of your estate.

The Fortress Caribbean Pension Fund is the primary investment offering behind all our pension products and for company defined contribution pension plans.

EXPENSES

Manager: 0.50% per annum of net assets at the Fund level.
 Fees from the underlying Fortress funds in which the Fund invests are capped at between 0.25% and 0.50% per annum of net assets, depending on the fund.
Custodian: \$7,500 per year paid by the Fund as a whole.
Administrator: 0.03% per annum.
Sales Charge: None
Redemption Charge: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

FUND OBJECTIVE

Capital growth, income and security over the long term, as appropriate to each class of share. The Fund invests in equities, fixed income, and real estate assets primarily via the other Fortress funds.

Net Asset Value

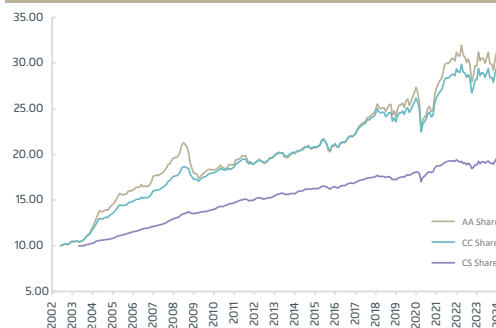
Per Share: \$31.52 / \$29.90 / \$19.81
 (AA/CC/CS)
Fund Net Assets: \$408,966,704

INVESTMENT RETURNS

	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	-2.0%	3.0%	1.6%	4.0%	5.3%
CC Share	-1.5%	3.3%	1.7%	3.7%	5.1%
CS Share	0.0%	3.2%	1.1%	2.3%	3.3%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2024



ASSET ALLOCATION

