



Your Future. Our Business.

Dear fellow investors,

The fourth quarter was again positive for all the Fortress funds. Our global and regional equities continued to strengthen, capping off a very good year. While markets initially weakened on concern over the spread of the new Omicron COVID-19 variant, they found their feet again and finished the year stronger, reflecting company earnings growth and still very low interest rates. As we wrote last quarter, it is time for the investment world to get back to normal. It is decidedly not “normal” for central banks to push security prices skyward with easy money, and it is not normal for investors to pay any price to own popular technology companies. We should expect more up and down “chop” in financial markets as investors face less friendly monetary policy, high valuations in many areas, and uncertainty over how consumer spending may adapt to more parts of everyday life also getting back to normal. In our portfolios, we still see excellent value, and consequently good future return potential, in the quieter, well-priced parts of the investment world in the Caribbean, in the U.S, and especially in international and emerging markets.

One other thing that we’re hoping will get back to normal this year is our interaction with you – our investors. Our annual Fortress Investment Forum has been on pause since the start of the pandemic, but we are hopeful that gathering in person will again be possible soon. In the meantime, we are planning for a virtual event - please watch for details coming soon. We hope you will be able to plan to join us online as we discuss your investments and answer your questions.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

**OF INTEREST
THIS QUARTER:**

**THE CARIBBEAN
GROWTH FUND**

gained 2.7% in the fourth quarter and is up 17.9% over the past year. Global stocks strengthened and overcame initial worries about the Omicron variant.

**THE CARIBBEAN
HIGH INTEREST FUND**

returned 0.2% in the fourth quarter and is up 1.3% over the past year. The U.S. moved closer to raising interest rates and reducing pandemic stimulus.

**THE CARIBBEAN
PENSION FUND**

shares gained between 0.6% and 2.3% in the fourth quarter and are up between 3.8% and 14.7% over the past year. Equity investments continued to outpace returns from bonds.



Has it been 25 years already?

The Fortress Caribbean Growth Fund launched back in November 1996. Since then, we’ve steadily added to our range of products. We now offer equity and bond funds in U.S. dollars as well as Barbados dollars, and pension products for companies and individuals as they save for retirement, and then enjoy it.

See what we’ve grown into at www.fortressfund.com.



Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund gained 2.7% in the fourth quarter and is up 17.9% over the past year.*
- *Global stocks rebounded in December after initial concerns over the Omicron COVID-19 variant subsided.*

The Fund gained 2.7% in the fourth quarter and was up 17.9% over the past year. The net asset value (NAV) per share as of December 31 was \$7.4769. Net assets of the Fund were \$629 million, up from \$522 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 8.4% per year. Its portfolio remains well diversified by security, geography, and currency.

During the quarter, the Trinidad index posted a gain of 5% while other major regional indices were down. Massy Group, a meaningful part of the Trinidad index and our portfolio, advanced 27% over the quarter, supported by strong results for the financial year. The disparity in performance between the Trinidad index and the other major Caribbean indices mirrors the differences in the economic fundamentals of the markets. Oil prices have rebounded from the 2020 lows which has served Trinidad's economy well. Barbados and Jamaica, meanwhile, continued to experience stalled tourism activity for much of 2021. Equity markets in these tourism-dependent markets may recover following better economic performance in 2022. Other movers over the quarter include Guardian Holdings which was down by 9%. Our Guyana holdings also continued to gain. Banks DIH and Demerara Bank were up 15% and 9% respectively.

On the global front, equities rallied in October but traded lower in mid-November on concerns over the Omicron variant and the U.S. Federal Reserve's (Fed's) tapering and rate hike schedule. As fears of renewed pandemic lockdowns quickly subsided, U.S. stocks rose in December, and bond yields increased. Yields finished marginally higher for the quarter, and among global equities the U.S. outperformed international and emerging markets. Among the Fund's larger global allocations, the Fortress US Equity Fund and the International Equity Fund returned 7% and 6% respectively, the Templeton Asian Smaller Companies Fund added 5% and Berkshire Hathaway was up 10%. Emerging markets continued to face headwinds and our Emerging Markets Fund declined 2% in the quarter.

As we move into 2022, it is unlikely that economic recovery will continue at the same pace without bringing interest rate hikes from the Fed to dampen inflation. Much of the global stock market rally of the last two years (or more) has been centred in the U.S., especially in higher priced growth shares, and it has benefited from huge monetary stimulus. As more of the world gets back to normal in the months ahead, we would not be surprised to see broader participation in the stock market gains, with better valued shares in international and emerging markets gaining as their earnings grow, and some of the more reasonably priced parts of the U.S. market outperforming the recent highfliers. We continue to see very good prospects for the kinds of high-quality, well-valued shares where the Fund invests.

The Fund is once again 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.

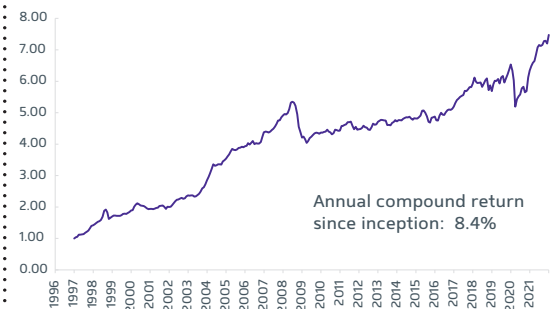
Minimum Investment	\$100
Net Asset Value per share	\$7.4769
Fund Net Assets	\$628,946,732
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

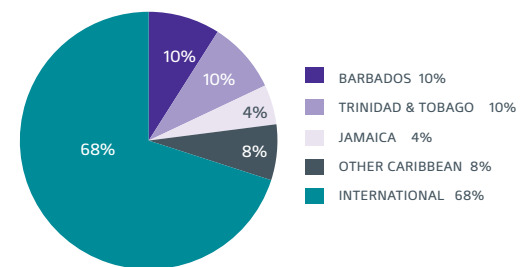
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	2.7%	17.9%	9.6%	7.6%	8.4%
Jamaica	-5.6%	-7.4%	-4.8%	11.5%	7.1%
Trinidad	5.0%	12.6%	4.7%	4.0%	8.7%
Barbados	-3.4%	-9.2%	-11.4%	-1.9%	2.5%
MSCI World	4.6%	22.3%	22.3%	15.6%	8.1%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2021



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 Templeton Asian Smaller Companies	Asia
5 Massy Holdings	Trinidad

EXPENSES

Manager: 1.75% per annum 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%

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

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

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

Caribbean High Interest Fund

HIGHLIGHTS:

- *The Fund was up 0.2% in the fourth quarter and is up 1.3% over the past year.*
- *Central banks moved closer to raising interest rates, and bond prices generally declined as yields rose.*

The Fund was up 0.2% in the fourth quarter and is up 1.3% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of December 31 was \$2.1303, while the Distribution share finished at \$1.0172. Net assets of the Fund were \$143 million, up from \$139 million this time last year. The Fund's annual compound rate of return since inception in 2002 is 3.9% per year. Its portfolio remains as diversified as possible across various issuers, industries, geographies, and terms to maturity.

Global bond markets were little changed over the quarter as inflation remained elevated and central banks became less accommodative. The U.S. 10-year treasury yield started the quarter at 1.49%, declined to 1.30% following concerns around monetary policy and the Omicron COVID-19 variant, before rising to 1.51% by quarter-end. The U.S. Federal Reserve (Fed) kept short term rates unchanged but signalled much tighter monetary policy is likely in the coming months if inflation continued to be high. Recent readings have been at a 7% annual rate. The anticipation of quicker hikes by the Fed pushed bond prices lower, especially in medium-term maturities. Over the quarter, high yield bonds outperformed investment grade as investors searched for yield amidst generally low rates and tight spreads.

Our global fixed income investments via the US\$ Fortress Fixed Income Fund were approximately unchanged over the quarter. Some of our corporate bond positions were called by the issuers, and we took the opportunity to participate in a few tender offers at attractive yields. Our small positions in bond alternatives had good returns in the quarter and contributed nicely to the Fund's overall return. As Fed hikes draw nearer and upward pressure on bond yields still seems likely, we continue to keep the average term to maturity of the Fund's portfolio relatively short while still positioning to earn an acceptable return.

In Barbados, the Government of Barbados (GOB) resumed bond issuance, with a 5-year, 4.25% note. We are yet to see how broad market participation was, but we are encouraged to see a local GOB issue, the first since 2018 in this market. The Fund's GOB weighting fell from 9% to 8% as we added more Series B at attractive levels to replace GOB Series F bonds as their final maturity neared. Our local corporate bond positions continued to perform well, and we rolled as they matured. The corporate bond market remained quiet, but we hope and expect to see more activity as the economy improves in the next few quarters. The Fund continues to face the dual challenges of low rates globally and limited options in the local Barbados market. The average term to maturity of the Fund's portfolio is now just over five years. The gross yield is approximately 3%, 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.

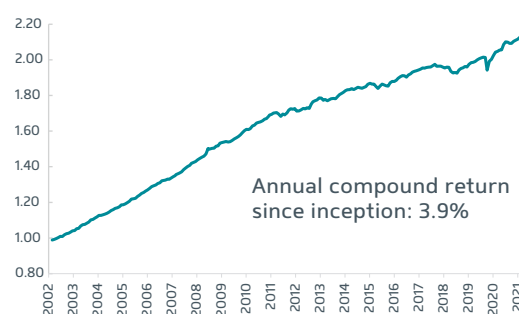
<i>Minimum Investment</i>	\$500
<i>Net Asset Value per share</i>	\$2.1303 / \$1.0172
<i>Fund Net Assets</i>	\$142,614,181
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

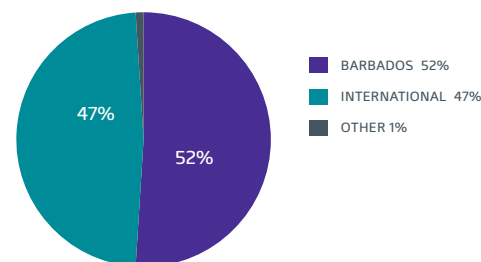
3 Months	1 Year	3 Years	5 Years	Inception
0.2%	1.3%	3.4%	2.1%	3.9%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2021



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country
1 Fortress Fixed Income Fund	International
2 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
3 Fortress World Fixed Income Fund	International
4 First Citizens Repo Jan 5, 2022	Barbados
5 GEL Note Nov 30 2022	Barbados

EXPENSES

Manager: 0.75% per annum
Custodian & Administrator:
 0.20% on first \$30M in net assets
 0.175% on next \$50M in net assets
 0.15% on amounts over \$80M in net assets
Redemption Charge:
 2% for funds held less than 6 months
 Up to 1% for funds held less than 6 months - 2 years
 Nil after 2 years
Initial Charges: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

SigniaGlobe Financial Group

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

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

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



Caribbean Pension Fund

HIGHLIGHTS:

- *The three classes of shares of the Pension Fund gained between 0.6% and 2.3% in the fourth quarter and are up between 3.8% and 14.7% over the past year. Equity investments continued to outpace returns from bonds.*
- *Returns by class of share are shown in the table to the right.*

Our Pensions Director, René Delmas, has been in the investing business for more than 30 years. He's seen many happy stories unfold over that time as he's helped thousands of pension plan participants save and invest for (and during) retirement. He recently distilled this experience into his very own list of "Top 10 Pension Pitfalls to Avoid" and we shared the first four last quarter. Continuing from where we left off, here are the next 3 from his list.

René's Top 10 Pension Pitfalls to Avoid (#5-#7):

- 5 With the current tax regime in Barbados, it does not make sense to contribute *new* money into a Registered Retirement Savings Plan (RRSP), because you would be contributing after tax dollars now and at retirement your withdrawal would likely be subject to tax again. Until the double tax situation gets fixed, it's better to simply invest new money directly in a regular mutual fund account where there is no tax at withdrawal.
- 6 Pay yourself first. Ensure that your savings are sent automatically to a long-term investment account *before* you have a chance to spend them. It's only human to vow to save and invest whatever is left over at the end of the month or the year, only to find that there isn't anything left over at all.
- 7 Remember there is no such thing as a risk-free investment with a high return. Like anything in life, making sensible investments requires doing at least a little homework to understand what's going on. Owning well-valued long-term assets like stocks and bonds is one tried and true source of return, but the prices will almost certainly move up and down and there is always risk of a decline in value especially in the short term.

To be concluded next quarter...!

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 undrawn 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

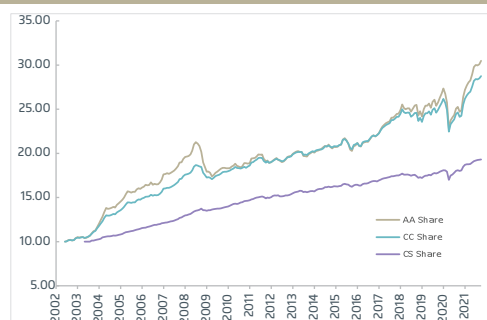
Per Share: \$31.19 / \$29.36 / \$19.42
(AA/CC/CS)
Fund Net Assets: \$408,839,812

INVESTMENT RETURNS

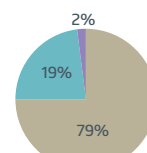
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	2.3%	14.7%	8.9%	6.9%	6.0%
CC Share	2.1%	12.1%	7.6%	5.7%	5.7%
CS Share	0.6%	3.8%	4.1%	2.8%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO DECEMBER 31ST, 2021

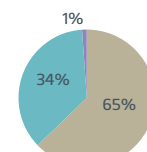


ASSET ALLOCATION



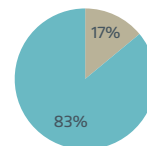
AGGRESSIVE ACCUMULATOR (AA)

EQUITIES 79%
FIXED INCOME 19%
REAL ESTATE/OTHER 2%



CONSERVATIVE CONSOLIDATOR (CC)

EQUITIES 65%
FIXED INCOME 34%
REAL ESTATE/OTHER 1%



CAPITAL SECURE (CS)

EQUITIES 17%
FIXED INCOME 83%
REAL ESTATE/OTHER 0%