



Your Future. Our Business.

Dear fellow investors,

We wrote last quarter how weakness in financial markets was giving us the chance to buy more good assets “on sale”, at lower prices. When widespread discounts are offered in stocks and bonds, they typically come wrapped up in some kind of bad news. And no one knows when the news is going to get better – or, possibly, worse. In the third quarter the news got worse, mostly on the interest rate front. The U.S. Federal Reserve and other central banks continued hiking rates, raising the risks of recession as they battle high post-pandemic inflation. Those aggressive moves sent both stock and bond prices lower, making this year so far one of the worst in a century for the traditional balanced portfolio of global stocks and bonds. It also made the “sale” prices that much better, improving future return prospects. We continued to respond by adding to the funds’ positions in high-quality, well-valued equities and bonds.

In a time of falling asset prices globally, the Fortress funds have held their own relatively well. Our core allocations to global investments have almost all outperformed their benchmarks, some by a wide margin. Our equity holdings in Guyana, while lower this quarter, have still seen outsized gains this year, and there have been other pockets of strength among holdings as far afield as Brazil and the U.S. Financial markets have absorbed a lot of bad news in recent months, from inflation, to energy, to rising interest rates, to war and geopolitics. Some of this bad news has enabled us to position the funds even better for the future. The news may get worse in the short-term, but it may also improve. There is a lot of pessimism in the investment world right now, and we like that. We are very constructive on the long-term return prospects for the funds.

Thank you for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

declined 8.6% in the third quarter and is down 9.6% over the past year. Global equities fell on concerns aggressive central bank rate hikes would cause a recession.

THE CARIBBEAN HIGH INTEREST FUND

declined 1.6% in the third quarter and is down 4.0% over the past year. Central banks kept hiking interest rates to fight high inflation, making global bond yields more attractive for investors.

THE CARIBBEAN PENSION FUND

shares declined between 2.2% and 7.0% in the third quarter and are down between 4.4% and 8.3% over the past year.



Does your company have a pension plan?

The **Fortress Caribbean Pension Fund** is the investment option of choice for many leading Barbados companies, and their thousands of employees. We’d be happy to help make sure you get the most out of your pension savings.

Ask your company if Fortress is an investment option for your pension.





Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund declined 8.6% in the third quarter and is down 9.6% over the past year.*
- *Global equity markets fell as concerns grew that central banks would keep raising interest even as economies weaken.*

The Fund declined 8.6% in the third quarter and is down 9.6% over the past year. The net asset value (NAV) per share as of September 29 was \$6.5790. Net assets of the Fund were \$565 million, down from \$629 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.

The quarter started with a short recovery in global stocks but ended with a sharp selloff as inflation stayed stubbornly high and central banks kept raising interest rates. The U.S. Federal Reserve (Fed) raised rates twice, a total of 1.5%, bringing its target rate to 3-3.25%. While these moves were largely expected, the Fed's harsh tone regarding future increases put renewed pressure on bonds and stocks and increased the risks of recession. At the same time, several major companies reported drops in earnings and staff cuts or hiring freezes. The S&P 500 Index of large U.S. stocks was down 5% for the quarter, bringing its year-to-date drop to more than 20%. In international and emerging markets, the declines have been greater. The war in Ukraine continued to disrupt European energy and commodity markets and to weigh on economic activity. Most major currencies dropped against the U.S. dollar. Making matters worse, proposed new tax policies in the UK threatened to conflict with central bank policies at a critical time. This, along with forced selling from leveraged UK pension funds, put yet more stress on financial markets. The Fund's core allocations to U.S., international and emerging markets are outperforming the broad markets but still saw declines of between 6% and 14% in the quarter.

In the Caribbean, shares were also mostly lower. Jamaica and Trinidad were down 6% and 3% respectively while Barbados was flat. We took advantage of lower prices to add to the Fund's position in Guardian Holdings in Trinidad. In Guyana, meanwhile, prices of our holdings moderated after showing outsized gains earlier this year. Over the quarter we took profits on some of these holdings. One exception to the general downtrend this quarter was Goddard Enterprises in Barbados which traded 6% higher and is now almost back to pre-pandemic levels.

Financial markets may remain volatile as central banks keep fighting inflation by raising interest rates. It is likely that parts of the world are already in economic recession, so we should also expect that company profits will decline, at least in the short-term – and share prices have already fallen on these expectations. For investors, it's the long-term that matters and no one knows how long the current headwinds will last. We do know that equity prices today are much lower than even a few months ago and the kinds of profitable, high-quality shares where the Fund invests are trading at decidedly attractive levels. Unfortunately, you don't get good prices without bad news – we are very constructive on future return prospects from here.

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.

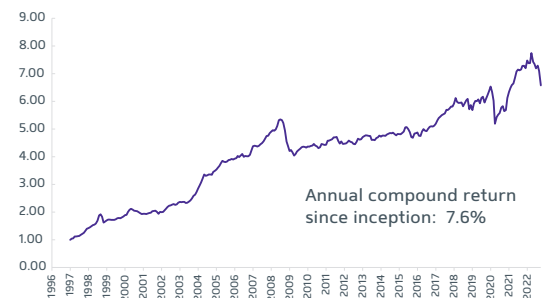
Net Asset Value per share	\$6.5790
Fund Net Assets	\$565,336,700
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

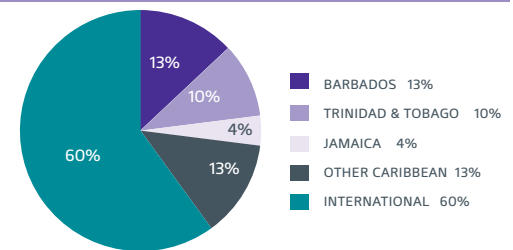
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	-8.6%	-9.6%	2.6%	2.8%	7.6%
Jamaica	-5.9%	-13.5%	-14.9%	3.1%	6.6%
Trinidad	-2.8%	-6.0%	-1.7%	1.4%	8.0%
Barbados	0.0%	2.6%	-8.5%	-4.2%	2.7%
MSCI World	-7.8%	-21.0%	5.4%	6.0%	6.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO SEPTEMBER 30TH, 2022



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 Banks DIH	Guyana
5 Goddard Enterprises	Barbados

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 declined 1.6% in the third quarter and is down 4.0% over the past year.*
- *The U.S. Federal Reserve and other central banks hiked interest rates to fight inflation. Global bond yields are getting increasingly attractive.*

The Fund declined 1.6% in the third quarter and is down 4.0% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of September 29 was \$2.0393, while the Distribution share finished at \$0.9736. Net assets of the Fund were \$143 million, unchanged from 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.

Global bond prices fell sharply in the third quarter as central banks raised interest rates further to fight high inflation. The U.S. Federal Reserve (Fed) raised its target rate by 0.75% twice over the quarter, bringing it to a range of 3-3.25%. This is up from a rate of zero at the start of the year. The Fed has hiked five times since March and is expected to keep tightening, even as the risks of recession grow. Adding to selling pressure on global bonds was the forced liquidation in September of certain leveraged pension investments in the UK, which led the Bank of England to step in as buyer of last resort to stabilise the market. During the quarter U.S. Treasury 10-year yields rose from 3.02% to 3.83% and have since surpassed 4%. Corporate spreads widened, too, reflecting recession fears. The main U.S. bond index finished the quarter with a 5% decline. Our core allocation to the US\$ Fortress Fixed Income Fund outperformed but was still down 3%.

In September, we added some long-dated U.S. Treasury inflation-linked bonds to the portfolio, as prices fell, and yields rose to their highest levels in more than 10 years. We expect to keep increasing the average term to maturity of the portfolio steadily if yields keep rising. The portfolio remains focused in high-quality, investment grade fixed income securities where we should see little impact from a recession, if one comes. There are already signs of economic moderation, and we think it is likely the Fed "pauses" rate hikes soon. With many high-quality US\$ bonds now yielding 5% or more, the return potential here is becoming meaningful.

In Barbados, the Government of Barbados (GOB) came to market with a new issue of BOSS bonds, marking a further return to domestic issuance. The GOB Series F bonds, a substantial holding for the Fund since shortly after the 2018 restructuring, have now fully matured. Over this time, they provided the Fund with attractive yields of 7-8%. New corporate issuance in Barbados continued to be scarce. A few of our local corporate positions matured, and the remaining positions performed well. Cash in the Fund increased with these maturities and is now at 23%. Barbados dollar cash remains a challenge to deploy appropriately. Even with higher than desired cash levels, the average term to maturity of the Fund's portfolio remains about six years, with a gross yield of approximately 4%, 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.

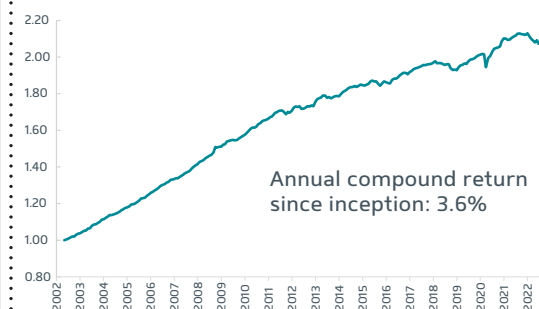
<i>Net Asset Value per share</i>	\$2.0393/ \$0.9736
<i>Fund Net Assets</i>	\$143,405,893
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

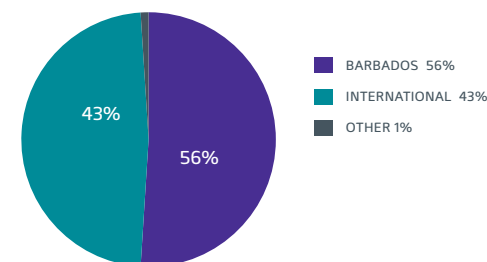
3 Months	1 Year	3 Years	5 Years	Inception
-1.6%	-4.0%	0.8%	0.8%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO SEPTEMBER 30TH, 2022



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

<i>Holding</i>	<i>Country</i>
1 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
2 Fortress Fixed Income Fund	International
3 Fortress World Fixed Income Fund	International
4 Barbados Series B Sep 30, 2033	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 declined between 2.2% and 7.0% in the third quarter and are down between 4.4% and 8.3% over the past year. Stocks and bonds both fell as central banks raised rates further to fight inflation and risks of recession grew.
- Returns by class of share are shown in the table to the right.

From time to time, we get questions from members of company pension plans about their investment. One of the most common ones is, "I have just changed jobs. What should I do with my pension?"

When you change jobs the pension plan of your "old" employer will typically give you an option letter outlining your choices. We think there a few things to consider at that moment.

First, if there is an option to "cash out" then please think hard before taking it. You will immediately lose 25% to the government in withholding tax. And you'll interrupt a big part of the magic of pension investing, which is keeping savings locked away and multiplying over many years to support you in retirement.

Second, your new employer will likely have a pension plan. If so, you can usually transfer your current pension savings there tax-free. If your new employer doesn't have a pension plan you can simply open a Registered Retirement Savings Plan (RRSP) with a provider like Fortress. This is effectively a personal pension account and can accept a transfer of your current pension savings tax-free where they will remain invested until you retire.

Finally, remember that the purpose of a pension is to accumulate assets during your working life that will then provide income in your retirement. Even though you may have several jobs in your lifetime it's a good idea to let your pension savings do their job, too, by keeping them invested and growing until you need to draw on them in retirement.

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: \$27.96 / \$26.76 / \$18.46
(AA/CC/CS)

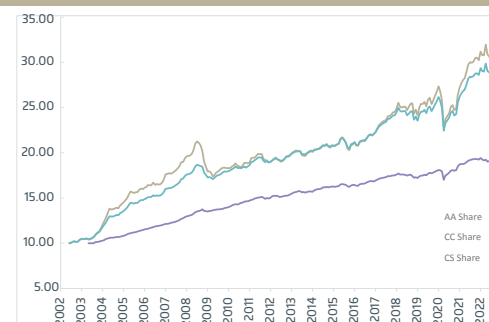
Fund Net Assets: \$373,991,303

INVESTMENT RETURNS

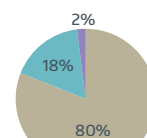
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	-7.0%	-8.3%	2.7%	2.9%	5.2%
CC Share	-5.9%	-7.0%	2.4%	2.3%	5.0%
CS Share	-2.2%	-4.4%	1.2%	1.1%	3.2%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO SEPTEMBER 30TH, 2022

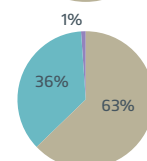


ASSET ALLOCATION



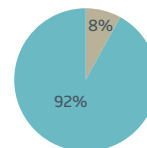
AGGRESSIVE ACCUMULATOR (AA)

EQUITIES 80%
 FIXED INCOME 18%
 REAL ESTATE/OTHER 2%



CONSERVATIVE CONSOLIDATOR (CC)

EQUITIES 63%
 FIXED INCOME 36%
 REAL ESTATE/OTHER 1%



CAPITAL SECURE (CS)

EQUITIES 8%
 FIXED INCOME 92%
 REAL ESTATE/OTHER 0%

DIRECTORS

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

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