



QUARTERLY NEWSLETTER – MARCH 2018

FUND PERFORMANCE

During the first quarter of 2018, all three Funds recorded decreases in their Net Asset Values. The Capital Growth Fund's NAV decreased by 2.67% moving from \$1.6145 to \$1.5715, while the Income Fund NAV's decreased by 1.52% moving from \$1.5971 to \$1.5446. The Property Fund decreased by 0.26% moving from \$1.1534 to \$1.1406.

Both the Capital Growth Fund and the Income Fund's asset base decreased for the period ending March 31, 2018. The Capital Growth Fund's asset base declined by 0.66%, moving from \$10.3M to \$9.8M as a result of the performance of equities in the portfolio. The Income Fund's net assets declined by 1.77% moving from \$21.6M to \$20.6M on account of dividend payments in January 2018. The Property Fund's asset base remained at \$2.9M.

The following table highlights the annual returns from 2013 to 2017 and returns for the first quarter of 2018.

FUND	2013	2014	2015	2016	2017	2018
Capital Growth Fund	7.50%	5.02%	-0.09%	7.07%	0.17%	-2.69%
Income Fund	8.18%	7.84%	5.96%	4.83%	2.52%	-0.81%
Property Fund	-11.36%	-6.41%	1.05%	-8.96%	-1.21%	-1.11%

ECONOMIC/MARKET REVIEW

Barbados' economy is predicted to grow no more than 1% for the year 2018, which is expected to have some impact on the performance of the local investments in the portfolio. The economy continues to face significant macroeconomic challenges associated with the declining international reserves, delayed capital projects, a weak investment climate and a lack of adequate measures to create a platform to achieve sustainable growth. On a positive note, there was a decline in the government's fiscal deficit as a result of improved revenues due to newly introduced tax measures.

Trading Volumes increased by 127% for the first quarter of 2018. With a share price increase of 1.7% for the quarter, Goddard Enterprises Limited was the volume leader, with over 543K shares trading at a value of over \$6.1M. The Local and Composite Indices increased by 4.9% and 4.2% respectively. The Trinidad and Tobago Stock market (TTSE) was not as fortunate. The All T&T and the Composite indices declined by 29.84 points (1.73%) and 2.42 points (0.19%) respectively. In addition to the decline in share price of the Fund's investments listed on the TTSE, the Fund continue to be impacted by the unfavorable Trinidad & Tobago's exchange rate.

Volatility returned to the international stock market, with major benchmark indexes recording notable losses when compared to the previous quarter. With the exception of Nasdaq which posted only moderate gains of 2.59% in the first quarter, each of the indices closed March 2018 in the red. DOW Jones and the S&P 500 were down by 2.49% and 1.22% respectively.

FUND OUTLOOK

Despite improvements in some of the investments in the portfolio, the Funds did not achieve the desired results for the first quarter of 2018. The results were mainly driven by the local market conditions as well as the performance of equities on the regional and international markets. Market volatility will provide us with opportunities to rebalance the portfolios to add new positions and trim back existing holdings that are not performing as expected. Efforts to rebalance the portfolio in the face of the current economic challenges are on-going. We are hopeful that these measures will improve the performance of the funds.

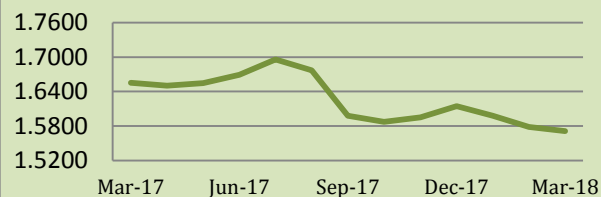
Quarterly Updates:

The updated Prospectus and the Quarterly Newsletter are now available online. A dividend of \$0.04 was paid to all Republic Income Fund shareholders on record as at January 12th 2018.

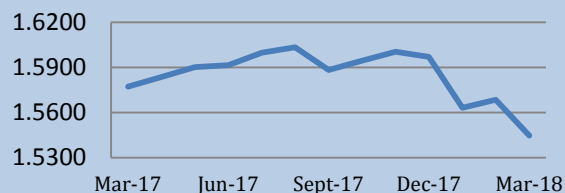


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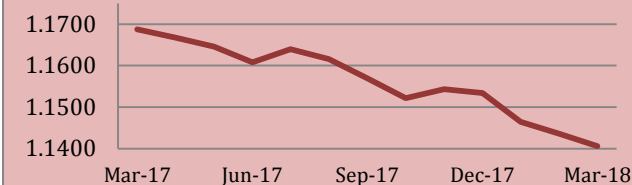
Capital Growth Fund NAV Movement



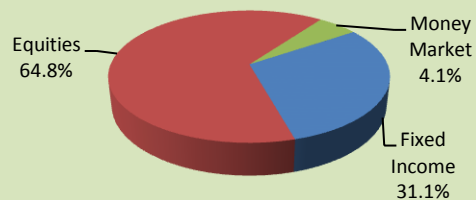
Income Fund NAV Movement



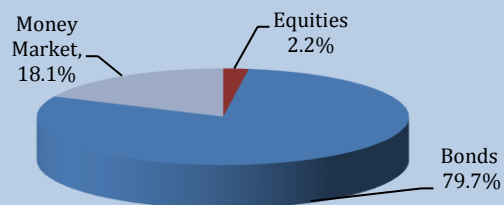
Property Fund NAV Movement



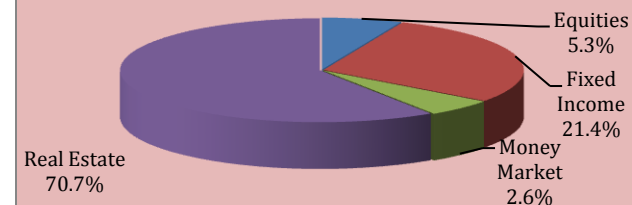
Capital Growth Fund - Asset Allocation



Income Fund - Asset Allocation



Property Fund - Asset Allocation



Republic Capital Growth Fund Top Five Holdings

Rank	Company/Issuer	Security Type
1	Apes Hill Long Term Bond	Fixed Income
2	Royal Bank of Canada	Equity
3	Goddard Enterprises Ltd	Equity
4	Insurance Corporation of Barbados	Equity
5	UWI-Clinical Medicine & Research Bond	Fixed Income

Republic Income Fund Top Five Holdings

Rank	Company/Issuer	Security Type
1	Government of Barbados Debentures	Fixed Income
2	Republic Bank (Barbados) Ltd	Money Market
3	UWI-Clinical Medicine & Research Bond	Fixed Income
4	Barbados Agricultural Management Co.	Fixed Income
5	Barbados Port Inc.	Fixed Income

Republic Property Fund Top Five Holdings

Rank	Company/Issuer	Security Type
1	Apes Hill Long Term Development	Real Estate
2	Heron Court Lot	Real Estate
3	Barbados Port Inc.	Fixed Income
4	Government of Barbados Debentures	Fixed Income
5	One Caribbean Media	Equity

Republic Capital Growth Fund

Fund Size

\$9,784,544

Net Asset Value

\$1.5715

Minimum Initial Investment

\$500

Subsequent Investment

\$100

Republic Income Fund

Fund Size

\$20,607,202

Net Asset Value

\$1.5446

Minimum Initial Investment

\$2,000

Subsequent Investment

\$500

Republic Property Fund

Fund Size

\$2,895,257

Net Asset Value

\$1.1406