

## Fund Allocation Report June 30<sup>th</sup> 2023

# The El Tucuche Fixed Income Fund

Fund Size: TT\$114,389,595

Investment Objective: To generate investment returns superior to prevailing TT dollar money market rates while maintaining acceptable levels of risk. This fund invests in bonds and other debt instruments denominated in both TT and US dollars.

### Fund Facts

Minimum Investment	NAV Type	Fund Type	Dividend Distribution	Last Dividend Date	Last Dividend
TT\$1,000	Floating	Open-Ended	Quarterly	April 17 <sup>th</sup> 2023	TT\$0.04

### Average Annualised Returns

as of June 30<sup>th</sup> 2023

1 Year	3 Year	5 Year	Return from inception September 29 <sup>th</sup> 2008
0.68%	1.42%	1.39%	3.54%

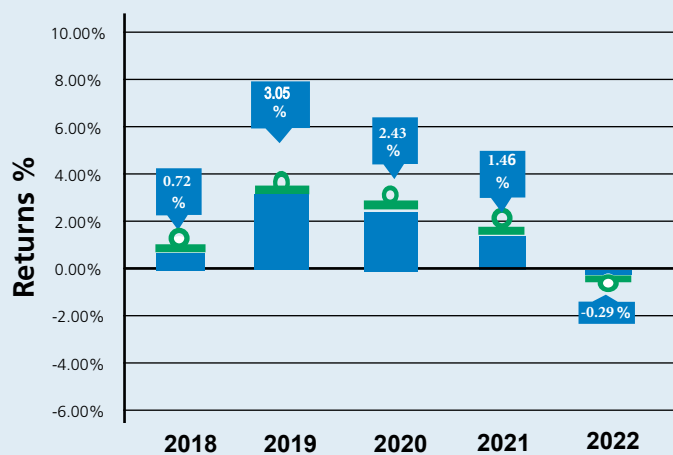
### Market Update

On the domestic front, the recovery of economic activity following the onset of the pandemic is gradual but steady. For the period January - June 2023, domestic inflation showed a decrease, with headline inflation dropping from 8.3% in January 2023 to 5.8% in June 2023. Food inflation, the most volatile component, also slowed from 17.3% in January 2023 to 10.1% in June 2023. Core inflation followed suit, falling from 6.1% in January 2023 to 4.8% in June 2023 due to easing price increases across various categories. Liquidity, one of the key financial indicators, remains ample and continues to show the stability of the banking sector. Commercial banks' excess reserves at the Central Bank increased from a daily average of TT\$6.6 billion in March 2023 to TT\$7.8 billion by the middle of June 2023. The Monetary Policy Committee (MPC) agreed to maintain the repo rate at 3.5% whilst taking into account external economic developments. Short to medium term local interest rates have been creeping up during the year thus far and we expect this to continue within the near to medium term in 2023. Globally, bond market performance continues to be challenged directly by the US Federal reserve hiking cycle, who opted to raise interest rates by 0.25% in May 2023 before pausing in June 2023. Key factors impacting global financial market performance include persistent inflation, US Federal Reserve rate increases, geopolitical tensions stemming from the Russia-Ukraine war and the threat of recessionary risk. In the coming months the focus of the Fund continues to be investing available cash into attractive investments and monitoring interest rate movements globally.

### Historical Interest Rate

Calendar year Jan-Dec

#### Annual Return



### Management Expenses Ratio (MER)

The Fund's MER as at the end of June 2023 was 1.92%. This means that for every \$1,000 dollars invested, \$19.19 went towards paying for the management of the Fund. The MER is the percentage of the annual fees plus the annual expenses, divided by the average net assets of the Fund. The Trust Deed of the Fund allows for the Investment fee of no more than 2.5% per annum (p.a.), the Trustee fee of 0.25% p.a., the Distribution fee of 0.25% p.a. and the Fund Administration fee of 0.25% p.a.

## Fund Allocation Report June 30<sup>th</sup> 2023

Top 10 Credit Exposure		Top 10 Individual Holdings	
Issuer	% of Fund	Issuer	% of Portfolio
GOVERNMENT OF TRINIDAD & TOBAGO	50.54	FIRST CITIZENS GROUP CASH ACCOUNTS	12.37
FIRST CITIZENS GROUP	17.94	GOTT \$1399.8M 6.60% FXRB DUE 4-FEB-2027	9.96
GOVERNMENT OF UNITED STATES	5.72	GOTT US\$21,000M 5.00% FXRB DUE 2025	5.93
NIF HOLDING COMPANY	5.59	US TSY NOTE 2.25% 30.04.24	5.72
NIPDEC	5.58	NIF \$1,200M SERIES A-4.50% DUE 2023	5.59
COMMERZBANK	2.98	GOTT TT\$1,000M 4.10% FXRB DUE 2025	5.52
AT&T INC	2.96	NIPDEC TT\$750M 6.55% FXRB DUE 2030	4.96
SOCIETE GENERALE	2.82	GOTT TT\$1,600M 5.50% FXRB DUE 2034	3.55
ANSA GROUP OF COMPANIES	2.65	CB AG US\$1B TIER 2 NOTE DUE 2023	2.98
T'DAD & T'BGO MORTGAGE FINANCE	1.90	FCBL US\$92.362M FXRB DUE 2025	2.96

Percentages are rounded to 2 decimal points.

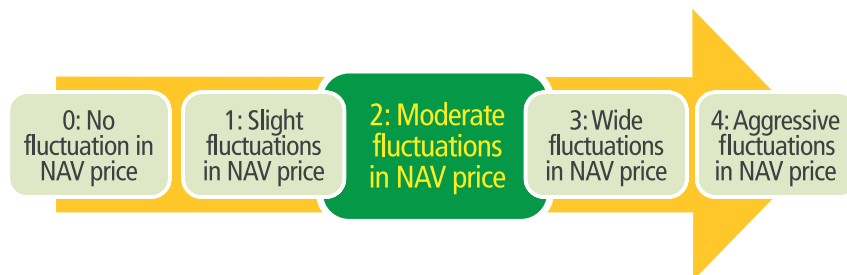
Exposure		
By Assets		By Region
54.91%	TTD Bonds	85.52% Trinidad & Tobago
8.27%	TTD Cash	8.68% USA
5.25%	TTD Cash Equivalents	5.80% Europe
21.76%	USD Bonds	
5.72%	USD Cash Equivalents	
4.10%	USD Cash	
		By Currency
		68.42% TTD
		31.58% USD

Percentages are rounded to 2 decimal points.

## First Citizens Depository Services Limited Fund Allocation Report June 30<sup>th</sup> 2023



### Risk Level



The El Tucuche Fixed Income Fund carries a moderate risk level with moderate fluctuations in the Net Asset Value of the Fund.

Past performance is not an indicator of future returns. The Prospectus should be read in its entirety before investing and is available upon request at all First Citizens Branches. Investments in the Fund are not deposits and are not insured by the Deposit Insurance Corporation, nor guaranteed by the CBTT, First Citizens, any of its subsidiaries or any person or corporation.