

Fund Allocation Report December 31<sup>st</sup> 2024

# The Abercrombie TTD Monthly Fixed Income Fund

Fund Size: TT\$5,796,798,250

Investment Objective: The fund invests in bonds and other securities denominated in both TT Dollars and US Dollars. The summary of the investment portfolio may change due to ongoing portfolio transactions.

## Fund Facts

| Minimum Investment | NAV Type | Fund Type  | Earnings              | Earnings Frequency                  | Pay Out Rate |
|--------------------|----------|------------|-----------------------|-------------------------------------|--------------|
| TT\$500            | Fixed    | Open-Ended | Interest Rate Applied | Calculated Daily & Credited Monthly | 1.20%        |

## Average Annualized Returns

as of December 31<sup>st</sup>, 2024

| 1 Year | 3 Year | 5 Year | Return from inception<br>Sept 25 <sup>th</sup> 1998 |
|--------|--------|--------|---|
| 1.21%  | 1.21%  | 1.29%  | 3.79%   |

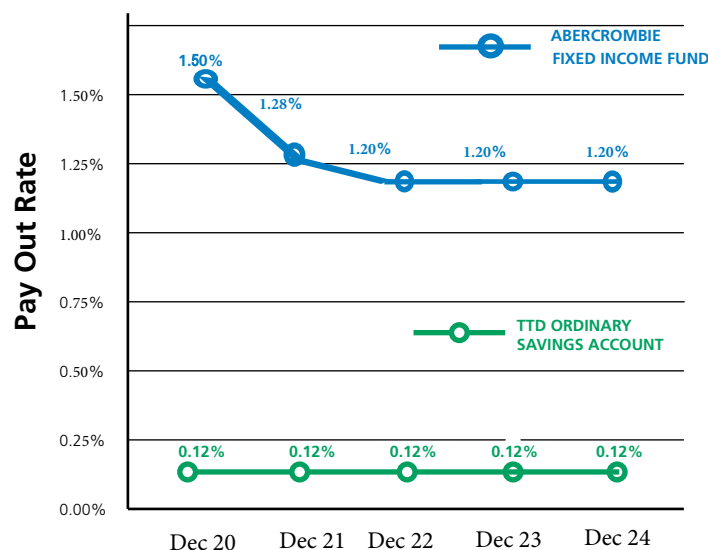
## Market Update

Quarterly market performance continued to show resilience against the backdrop of ongoing volatility and headwinds. T&T's real GDP expanded by 1.5% year-over-year in the first quarter of 2024, driven by a robust non-energy sector and a modest increase in energy sector output, according to the latest data from the Central Statistical Office. Subsequent indicators monitored by the Central Bank revealed that natural gas supply constraints adversely impacted the energy sector in the second and third quarters. Conversely, non-energy production demonstrated growth, particularly within the trade, transportation, and storage, and construction sub-sectors. The unemployment rate experienced a slight improvement in the second quarter of 2024, decreasing from 5.1% to 4.8%. Headline inflation remained low in November, increasing slightly to 0.5% from 0.2% in October. The interest rate differential between 3-month TT and US treasuries narrowed significantly by 63 basis points, reaching -233 basis points in November 2024. Liquidity within the financial system remained ample throughout the second half of 2024, following a July reduction in the reserve requirement to 10% from 14%. Commercial banks held an average of TT \$6.4 billion in excess reserves at the Central Bank in the first two weeks of December. The Monetary Policy Committee (MPC) agreed to maintain the repo rate at 3.5%. In the last US Federal Open Market Committee Meeting (FOMC), the Fed lowered rates by 0.25% in December 2024 bringing the benchmark rate range to 4.25% to 4.5%. U.S Treasury yields climbed sharply in the fourth quarter due to a strong economy and higher inflation, impacting fixed-income prices. Recent US economic strength has led to a re-evaluation of interest rate forecasts. The Fed's dot plot now suggests a more gradual path to monetary easing in 2025 than previously expected. Despite elevated interest rates, the US economy outperformed expectations with investors tuned in on the incoming administration's policy agenda, which includes prospects for tax cuts, deregulation, and energy production enhancing the prospects for stronger economic growth.

Given the conservative risk profile of the Abercrombie Fund, investment activity is concentrated at the short to medium end of the curve. In the coming months the focus of the Fund continues to be maintaining a low duration and monitoring the Fund's sensitivity to interest rate risk.

## Historical Interest Rate

Calendar year Jan-Dec



**N.B.:** TTD Saving Account Interest Rates based on First Citizens TT\$ Savings Account Interest Rates for balances (\$100>)

## Management Expenses Ratio (MER)

The Fund's MER as at the end of June 2024 was 1.53%. This means that for every \$1,000 invested, \$15.26 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 Management fee of no more than 2.5% per annum (p.a.), the Trustee fee of 0.25% and the Distribution fee of 0.25% p.a.

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| Top 10 Credit Exposure            |                  | Top 10 Individual Holdings                  |                  |
|-----------------------------------|------------------|---|------------------|
|                                   | Issuer % of Fund |   | Issuer % of Fund |
| FIRST CITIZENS GROUP              | 38.66            | FIRST CITIZENS GROUP CASH ACCOUNTS          | 12.84            |
| GOVERNMENT OF TRINIDAD & TOBAGO   | 30.51            | GOTT 3.15% FXRB DUE 22/06/26                | 4.79             |
| GOVERNMENT OF THE UNITED STATES   | 6.66             | MHL TTD \$600M SENIOR UNSECURED SYNDICATED  | 3.13             |
| MASSY HOLDINGS LIMITED            | 4.40             | COPINGOTT TTD \$2,000MM TRIPLE TRANCHE      | 2.99             |
| REPUBLIC FINANCE HOLDINGS LIMITED | 2.78             | GOTT \$1,200M FXRB @ 4.15% DUE 2025         | 2.90             |
| ANSA GROUP OF COMPANIES           | 1.94             | FCB ITC CD @ 3.25% 364 DAYS MAT 24/06/25    | 2.46             |
| NIPDEC                            | 1.83             | GORT TTD \$1B FXRB DUE 28/08/2027           | 2.10             |
| SCOTIA BANK T/DAD & T/BGO LTD     | 1.75             | COP IN NIPDEC TTD \$310.5M FR MED TERM BOND | 1.74             |
| HOUSING DEVELOPMENT CORPORATION   | 1.50             | GOTT \$2.5B 2.80% FXRB DUE 2026             | 1.69             |
| GUARDIAN HOLDINGS LIMITED         | 1.47             | GOTT TTD \$2.5BN TRIPLE TRANCHE FXRB 2028   | 1.63             |

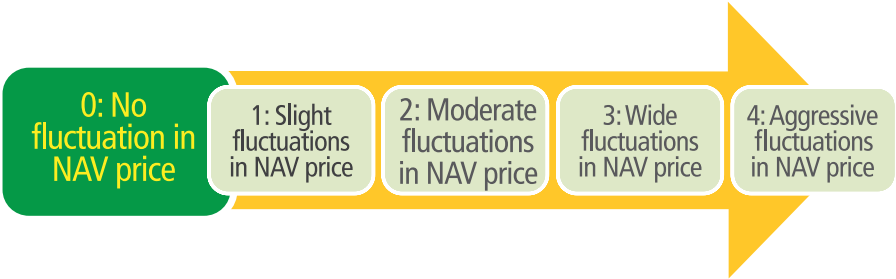
Percentages are rounded to 2 decimal points.

| Exposure  |                          |             |                   |
|-----------|--------------------------|-------------|-------------------|
| By Assets |                          | By Region   |                   |
| 40.27%    | TTD Bonds                | 89.13%      | Trinidad & Tobago |
| 32.14%    | TTD Cash Equivalents TTD | 10.87%      | North America     |
| 12.84%    | TTD Cash                 |             |                   |
| 1.00%     | TTD Money Market Funds   |             |                   |
|           |                          |             |                   |
| 13.11%    | USD Bonds                |             |                   |
| 0.46%     | USD Cash Equivalents USD |             |                   |
| 0.19%     | USD Cash                 |             |                   |
| 0.00%     | USD Money Market Funds   |             |                   |
|           |                          | By Currency |                   |
| 86.24%    | TTD                      |             |                   |
| 13.76%    | USD                      |             |                   |

Percentages are rounded to 2 decimal points.

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Risk Level



The Abercrombie TTD Monthly Fixed Income Fund carries a low risk level with zero 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 Central Bank of Trinidad and Tobago, First Citizens, any of its subsidiaries or any person or corporation.