Sagicor
ASSET MANAGEMENT

SAGICOR BARBADOS SEGREGATED PENSION FUNDS

QUARTERLY NEWSLETTER Q1 | MARCH 31, 2024

MARKET OVERVIEW

Macro-Economic Overview

During the first quarter of 2024, equity markets generated positive returns with the S&P 500, Nasdaq and Dow Jones all registering solid gains of 11%, 9% and 6%, respectively. Despite rising interest rates over the first three months of 2024, the strong performance was driven by positive trends in fundamentals. The US Federal Reserve kept rates fixed during the period. Monthly inflation measured by both the CPI and core CPI trended higher over the past few months. The challenge for policymakers continues to be managing inflation to achieve the targeted 2% rate by adjusting monetary policy in response to underlying inflation dynamics.

U.S. equities across all styles and market caps rose during the quarter and all segments except Real Estate generated positive returns. U.S. large-cap stocks outperformed the other asset classes. Communication Services, Energy, Information Technology and Financials were the top performing US sectors whereas Real Estate, Utilities and Consumer Discretionary were the weakest performers. International and emerging markets segments generated positive returns during the quarter and developed markets outperformed emerging markets.

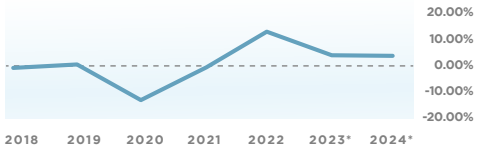
Fixed income markets experienced a modest downturn despite the US Federal Reserve holding the Fed Funds rate steady. This was due to the market scaling back rate cut expectations following surprisingly strong economic data. The U.S. interest rate curve rose resulting in declining treasury prices. Within fixed income, less rate-sensitive products generated positive returns. The Bloomberg Global Aggregate Bond Index returned -2.1% during the first quarter of 2024.

Outlook

The IMF expects global growth, estimated at 3.2 percent in 2023, to continue at that pace for 2024 and 2025, well below the historical (20-year) average of 3.8 percent. Inflation is projected to return to target levels with median headline inflation expected to decline from 2.8 percent at the end of 2024 to 2.4 percent at the end of 2025. The projections reflect restrictive monetary policy, reduced fiscal support and low underlying productivity growth, which are expected to restrain economic activity.

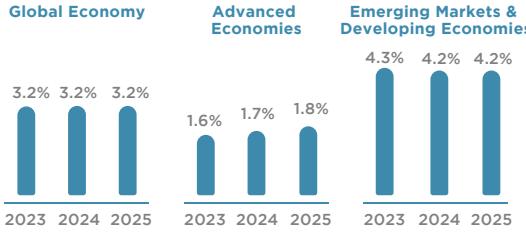
Key Indices (Quarterly Returns)	Jun-2023	Sep-2023	Dec-2023	Mar-2024
BSE Index	0.5%	4.7%	3.3%	↑ 8.6%
TTSE Composite Index	-7.3%	-0.6%	0.4%	↓ -1.3%
JSE Index	-2.5%	-1.5%	-0.4%	↑ 0.6%
S&P 500 Index	8.7%	-3.3%	11.7%	↑ 10.6%
Dow Jones Index	4.0%	-2.1%	13.1%	↑ 6.1%
MSCI All Country World Index	6.2%	-3.4%	11.0%	↑ 8.2%

Barbados GDP Growth (Real)



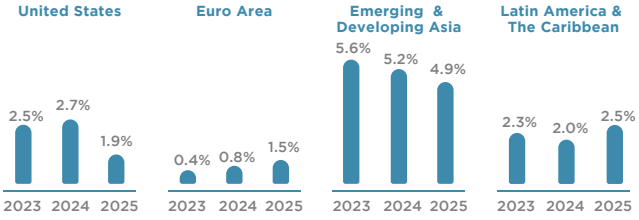
2023/2024* - Estimated Real GDP Growth
Source: Central Bank of Barbados

World Economic Outlook Update: April 2024 Growth Projections (% change)

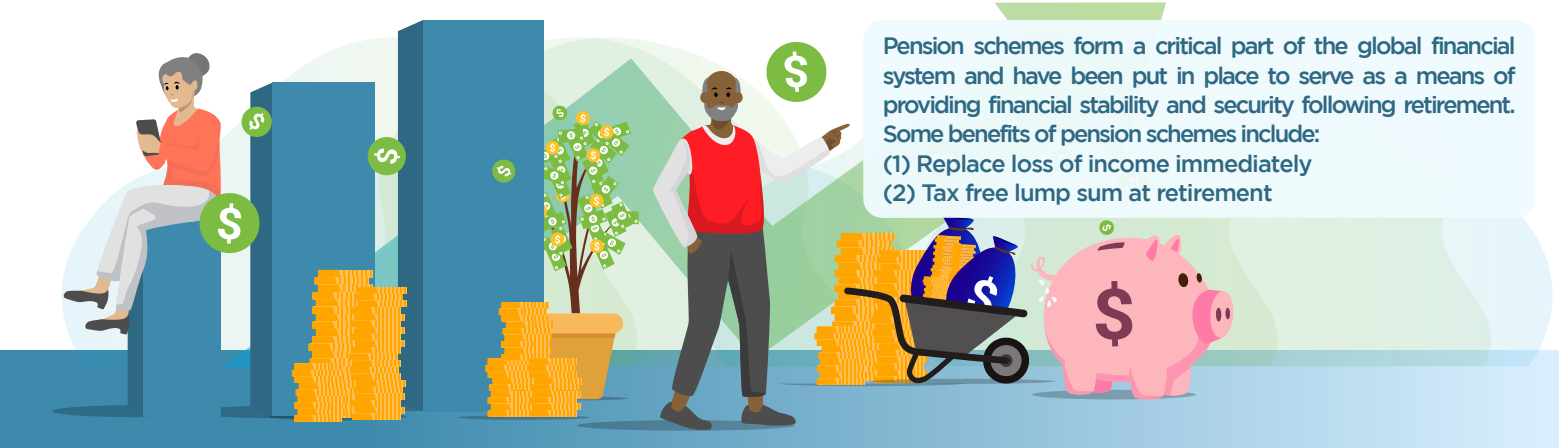


Source: IMF WEO Update: April 2024

World Economic Outlook Update: April 2024 Regional Growth Projections (% change)



Source: IMF WEO Update: April 2024



Pension schemes form a critical part of the global financial system and have been put in place to serve as a means of providing financial stability and security following retirement. Some benefits of pension schemes include:
(1) Replace loss of income immediately
(2) Tax free lump sum at retirement

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SAGICOR (EQUITY) FUND

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INVESTMENT OBJECTIVE

This Fund seeks to balance risk and return with the aim of maximizing long-term capital appreciation through investing in a diversified portfolio mix of local, regional and international equities, domestic real estate, mortgages and fixed income instruments.

Fund Inception Date: April 09th, 1969
Fund Manager: Sagicor Asset Management Inc.
Management Fee: 0.75% per annum

Fund Statistics:

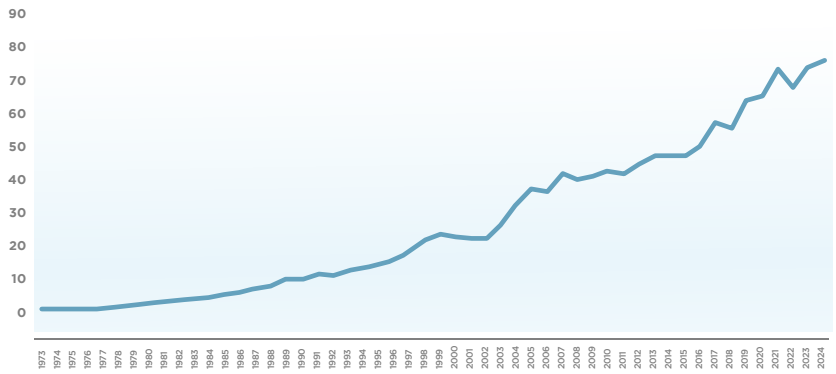
Total AUM (in millions)	$670 *BDS*
N.A.V	$76.70 *BDS*

Fund Performance (%)

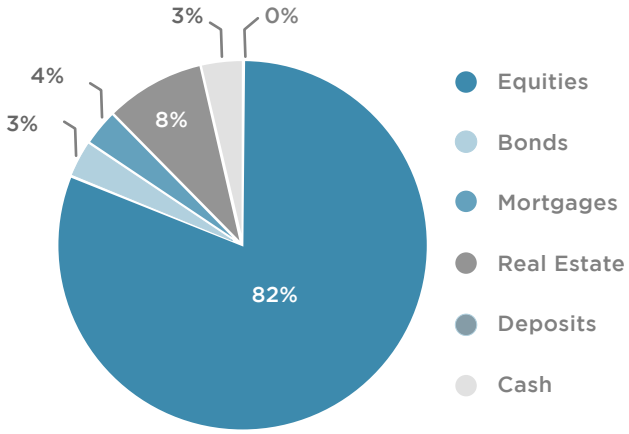
1-YR	5-YR	10-YR	20-YR	30-YR
8.0%	5.9%	4.7%	5.3%	6.1%

**Average annual calendar year performance*

Fund Inception Return as at March 31, 2024



Portfolio Asset Allocation



The Sagicor (Equity) Fund's net asset value increased to $76.70 as at March 31, 2024 versus $74.19 at the close of 2023. The Fund reported a return of 3.4% during the first quarter of 2024. Total net assets were reported at $670.0 million.

Portfolio performance was boosted during the first quarter from exposure to international equities. U.S. large-cap growth stocks led performance as AI enthusiasm continued to propel tech stock valuations. The strategic allocation to Energy, Information Technology and Financials benefitted the portfolio during the quarter, whereas Real Estate faced volatility during the period with high borrowing costs serving as a detractor to activity.

The Fund's regional equity holdings experienced mixed performances during the quarter. FirstCaribbean International Bank shares advanced, Goddard Enterprises Ltd. shares were unchanged whereas Massy Holdings Ltd. declined and Scotiabank Trinidad & Tobago Limited shares advanced.

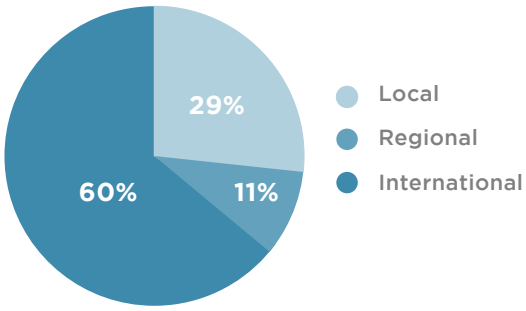
Top 10 Holdings (%)

Goddard Enterprises Ltd	10%
Massy Holdings Ltd	8%
FirstCaribbean International Bank	4%
Morgan Stanley	3%
Pictet - PTR Atlas Fund	3%
Royal Bank of Canada	3%
Merian Global Equity Absolute Return	2%
Investec Global Franchise Fund	2%
Aspect Diversified Trends USD Fund	2%
Man AHL Target Fund	2%
Total of Top 10 Holdings	**39%**

Sector Analysis of International Holdings

Information Technology	25%
Financials	14%
Consumper Staples	6%
Health Care	15%
Communication Services	6%
Consumer Discretionary	10%
Energy	6%
Industrials	13%
Materials	3%
Real Estate	1%
Utilities	1%
Total International Equity Holdings	**100%**

Geographic Breakdown



Sagicor
ASSET MANAGEMENT

SAGICOR (BONDS) FUND

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INVESTMENT OBJECTIVE

This Fund seeks to achieve consistent long-term returns primarily from its investment in a diverse mix of local, regional and international sovereign and corporate bonds. The Fund is further diversified through its domestic mortgage holdings, regional & international equities and term deposits.

Fund Inception Date: April 09th, 1969

Fund Manager: Sagicor Asset Management Inc.

Management Fee: 0.50% per annum

Fund Statistics:

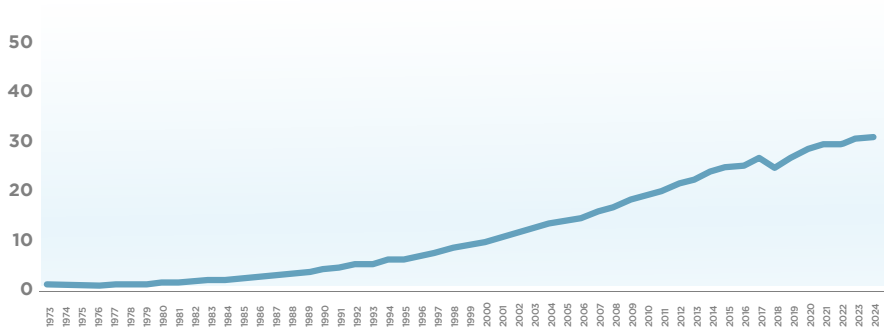
Total AUM (in millions)	$454.9 *BDS*
N.A.V	$31.09 *BDS*
Number of Holdings	271
Yield to Maturity	6.78%

Fund Performance (%)

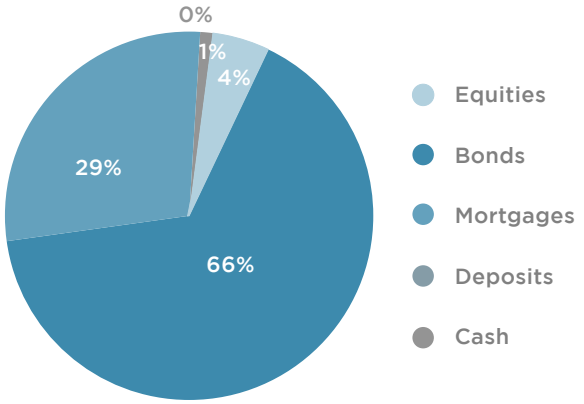
1-YR	3-YR	5-YR	10-YR	20-YR
4.5%	4.3%	3.3%	4.7%	5.9%

**Average annual calendar year performance*

Fund Inception Return as at March 31, 2024



Portfolio Asset Allocation



The Sagicor (Bonds) Fund net asset value increased to $31.09 as at March 31, 2024 when compared to $30.79 at the end of 2023. The Fund returned 0.3% during the first quarter of 2024. Net assets stood at $454.9 million at the end of March 2024. The portfolio continues to benefit from an increase in valuation of the portfolio's local currency debt and stability in regional fixed income holdings.

The portfolio team invested short term capital in Treasuries at yields above 5.2% and the remaining cash was deployed in a managed fixed income strategy.

The primary driver of volatility in fixed income markets was interest rate policy. The US Federal Reserve maintained its Federal Funds range of 5.25% to 5.50%. However, the change in the Fed's message led to a recalibration by fixed income investors with an expectation of fewer rate cuts in 2024. The U.S. interest rate curve rose and slightly deepened its inversion during the quarter with yields on all maturities from three months and longer ending the period higher and resulting in falling prices for treasuries. The 10-year treasury yield rose by 0.32% to 4.20%. Historically, this portfolio has shown resistance to market shocks and remains strategically positioned for long term growth.

Top 10 Holdings (%)

Gov't of Barbados Series D 4.25% Due 08/31/2053	23%
Gov't of Bermuda 3.717% Due 01/25/27	8%
Trinidad Generation Unlimited 5.25% 11/04/27	3%
United States of America Treasury Bill	3%
Gov't of Trinidad & Tobago 5.875% Due 05/17/27	3%
Gov't of Trinidad & Tobago 4.5% Due 08/04/26	2%
Gov't of Barbados 6.50% Due 10/01/2029	2%
Natural Gas Co. Trinidad 6.05% Due 01/15/36	2%
Gov't of St. Lucia 6.5%	2%
Legg Mason Brandywine	2%
Total of Top 10 Holdings	**50%**

Credit Quality (%)

AAA,AA	6%
A	16%
BBB	28%
BB	17%
B	31%
CCC, CC	1%
C	0%
D	1%

Geographic Breakdown

