

Sterling Global Funds (SGF)

Investment Objective: Grow and protect the capital of the fund.

About the Fund as at May 16, 2022

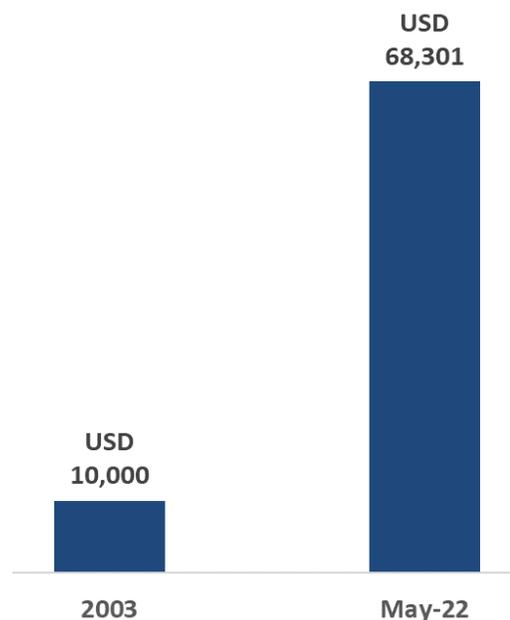
Manager	Sterling Asset Management
Auditors	KPMG Peat Marwick
Regulator	Financial Services Commission, British Virgin Islands
Assets under Management	US\$45.6 million
Asset Class	Global Fixed Income securities
Inception date	2003
Minimum investment	1,000 units*
Average annual return since inception	10.7%
2022 YTD return	(10.7)%
2021 return	7.64%

*conditions apply

Sterling Global Funds (“the Fund”) is an offshore mutual fund with a moderate risk profile. The fund has generated an **average annual return of 10.7%** since 2003. US\$10,000 invested in the fund at inception in 2003 would be worth US\$68,301 as at May 11th, 2022.

This is a medium to long term investment. There are no interest payments or capital distributions. All income generated by the assets is reinvested in the fund. Investors benefit from the growth in the value (i.e. unit price) of their shares. Encashments during the first 6 months are subject to a penalty.

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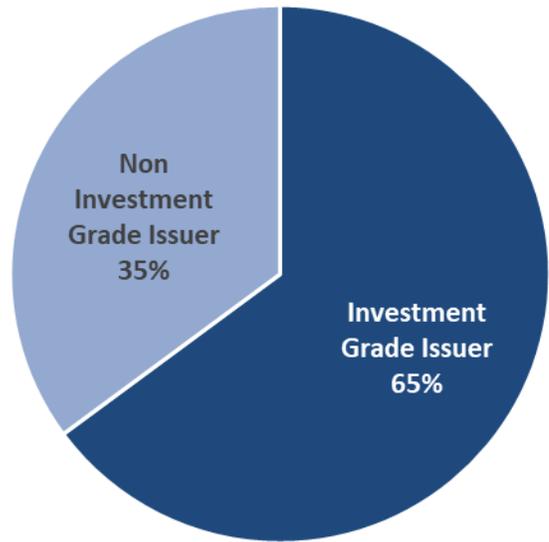


Investment Strategy: The Fund is concentrated in US dollar fixed income instruments. The manager has dynamically adjusted the investment strategy across different economic environments. During the low interest rate environment of the past decade, the fund invested in corporate bonds issued by investment grade rated entities and, to a lesser extent, higher yield non-investment grade corporates and Quasi sovereigns in emerging markets. These assets performed well and appreciated in value throughout the low interest rate and easy monetary policy regime. However, during the last year, the investment manager sought to shorten the duration of the portfolio in anticipation of higher interest rates and increased market volatility. The NAV of the fund will reflect this market volatility.

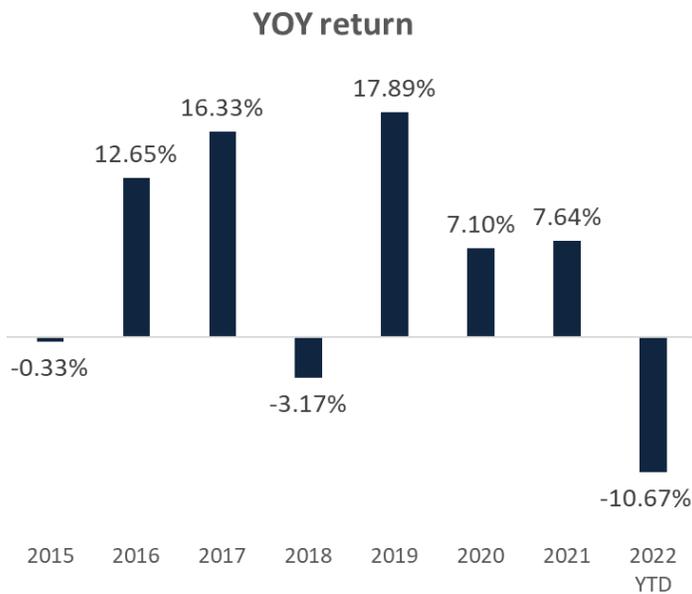
A bond portfolio is always earning interest, no matter what is happening to the bond prices. Even when prices fall, most of the bonds in the fund are likely to continue to pay interest and repay their principal at maturity. This provides a base level of protection for the investor.

Performance History: Bond prices rose in 2019 as the U.S. Federal Reserve slowed its pace of interest rate increases and US China trade tensions eased. During 2020, prices of bonds and stocks (and the NAV of the fund) declined dramatically in the first quarter of the year, but subsequently experienced a strong rebound with the onset of expansionary monetary and fiscal policy in the developed economies. The fund produced positive returns in 2020 and 2021. However, during the first quarter of 2022, bond (and stock) prices have declined significantly, and the NAV of the fund has mirrored part of this decline. This broad based market decline reflects the pressures of persistently high inflation, rising interest rates and tightening monetary and fiscal policy in the developed economies. It is worth noting that the fund has had some of its best performances following periods of crisis. This occurs because market declines can provide an opportunity for the Fund to purchase assets at lower prices and better yields. Investors in the mutual fund should be prepared to withstand the price volatility that is characteristic of the global markets.

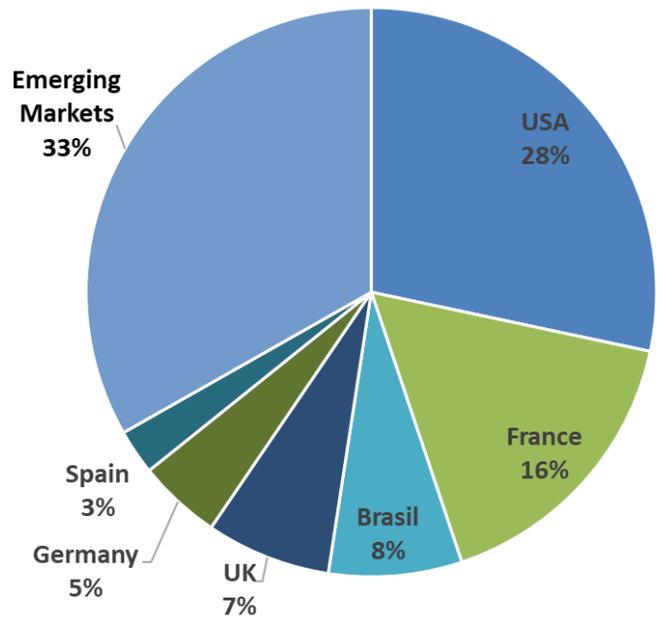
Issuer Credit quality: 65% Investment Grade Issuers



Year On Year growth (%)



Diversified portfolio with global exposure.



The Investment Advisor – Sterling Asset Management

Sterling Asset Management Limited (SAM) started in 2001 as a solution to the high devaluation and inflation that Jamaica was experiencing. Sterling was the first local firm to offer investors exclusively US dollar investments in global markets. This allowed investors to get safer investments with better long-term returns.

Sterling is a licensed securities dealer regulated by the Financial Services Commission of Jamaica. SAM's capital adequacy ratio is more than two times the FSC's regulatory minimum, making it one of the soundest financial institutions on the island. SAM's commitment to high credit quality fixed income instruments has benefitted the portfolio. The company has been in operation for twenty (20) years.

How to invest in the Fund: We'll complete a few forms for your signature after you send us the following documents:

- Photo ID (e.g. driver's license, passport)
- Proof of address (e.g. utility bill)
- Evidence of source of funds (e.g. bank or broker statement)

Cheques made payable to Sterling Global Funds or wire transfers are acceptable forms of payment. Contact a Sterling representative for more details.