

## Sterling Global Funds (SGF)

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

### About the Fund as at December 31, 2019

<b>Manager</b>	Sterling Asset Management
<b>Auditors</b>	KPMG Peat Marwick
<b>Regulator</b>	Financial Services Commission, British Virgin Islands
<b>Assets under Management</b>	US\$30.548 million
<b>Asset Class</b>	Global Fixed Income securities
<b>Inception date</b>	2003
<b>Minimum investment</b>	1,000 units*
<b>Average annual return since inception</b>	12.1%
<b>2018 Return</b>	(3.169)%
<b>2019 return</b>	17.85%

\*conditions apply

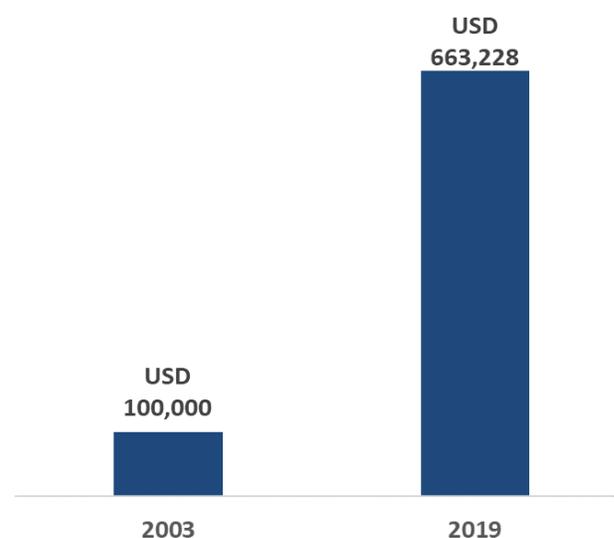
Sterling Global Funds (“the Fund”) is an offshore mutual fund with a moderate risk profile. The fund has generated **an average annual return of 12.1%** over its 16 year life. US\$100,000 invested in the fund at inception in 2003 would have been worth US\$663,228 as at December 31, 2019.

### Investment Strategy

The Fund is concentrated primarily in US dollar denominated fixed income instruments. During times of higher interest rates, the fund invested heavily in investment grade rated U.S. Government Agency notes and used modest amounts of leverage to enhance yield and return. During times of lower interest rates the fund invested in high quality U.S. and European corporate

bonds which generated attractive capital gains. The Fund proactively prepared for a rise in interest rates in 2017-18 by shortening duration significantly to sustain attractive returns. With the global decline in yields in the U.S. & Europe – the company invested modest amounts in higher yielding emerging market issuers. The negative return in 2018 reflected rising interest rates in the US and broad geopolitical risks around Brexit and Trade wars. Returns in both bond and equity markets were negative as at the end of December 2018. The growth in 2019 is a result of accommodative Central Bank policy and the flight to safety in global markets.

**US\$100,000 invested in SGF at inception is valued at US\$663,228 as at December 31, 2019.**

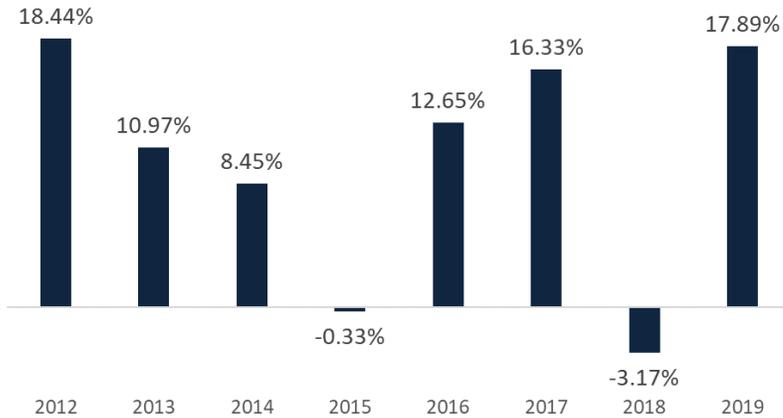


This is a medium to long term investment. There are no interest payments or capital distributions. Investors benefit from the growth in the value (i.e. unit price) of their shares i.e. capital appreciation. Encashments during the first 6 months are subject to a penalty.

## Top 5 Issuers of as December 31, 2019

ISSUER NAME	%
LLOYDS BANK PLC	9.96
SOCIETE GENERALE	8.61
CREDIT AGRICOLE	6.68
BANK OF BRASIL	5.65
BNP PARIBAS	5.15

### Year On Year growth



**How to invest in the Fund:** The fund is currently incorporated in the British Virgin Islands under The International Business Companies Act of the BVI. Investors can purchase or redeem their shares on a Wednesday (the designated trading day). The net asset value (NAV) of the fund is calculated weekly on a Wednesday by the Investment Manager. Investors can redeem their shares at the NAV and purchase shares at a reference price to the NAV.

### The Investment Advisor – Sterling Asset Management

Sterling Asset Management Limited (SAM) 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 insulated the Company and the portfolios it manages from much of the turmoil in the wider financial sector. The company has been in operation for nineteen (19) years.