

REPUBLIC CARIBBEAN EQUITY FUND

 31st March 2020

FUND SIZE
TT\$ 135 Million
FUND STRATEGY

The fund seeks to achieve long term capital appreciation growth by investing in a diversified portfolio of equity securities.

FUND FACTS

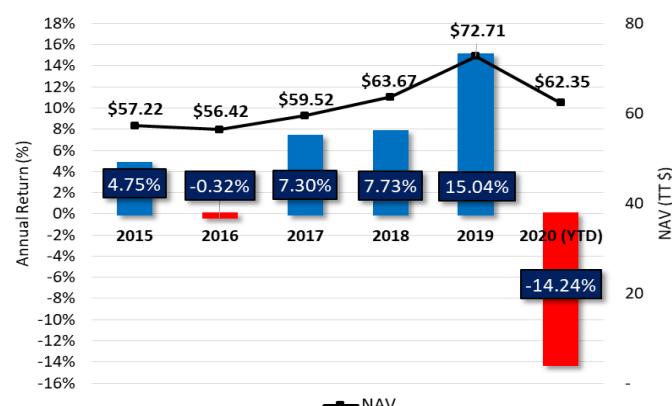
Minimum Initial Investment	Subsequent Investment	Bid Price @ 31-March-2020	Offer Price @ 31-March-2020	Distribution 31-July-2019
\$2,000.00	\$200.00	\$62.3540	\$63.6011	\$0.4941

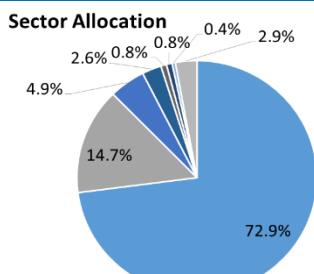
TOP FIVE (5) SECURITIES

DESCRIPTION	FUND WEIGHT
National Commercial Bank Of Jamaica Ltd	30.5%
Republic Financial Holdings Limited	19.9%
Scotiabank T&T Limited	9.8%
GraceKennedy Limited	5.4%
Vanguard FTSE All-World ETF UCITS	4.7%

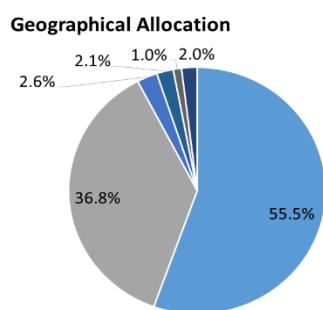
PORTFOLIO PERFORMANCE
OFFER-BID SPREAD (AS AT MARCH 2020)

YTD 2020	FYE 2019	3 YEAR (ANNUALIZED)	5 YEAR (ANNUALIZED)	INCEPTION (ANNUALIZED)
-14.2%	15.0%	3.2%	3.3%	8.1%

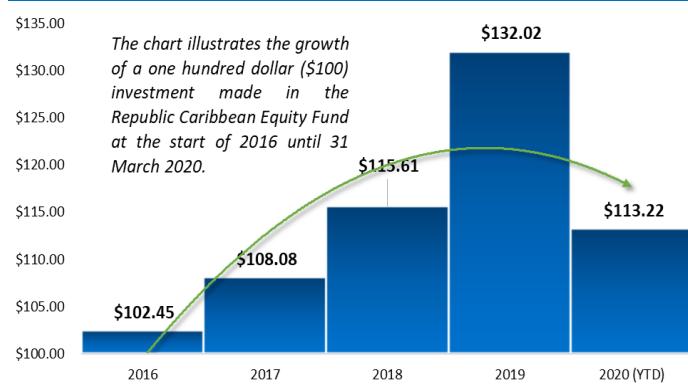

 Year-to-date return and NAV to March 31st 2020.

EXPOSURES AS AT MARCH 2020


- Financials
- Consumer Staples
- Energy
- Consumer Discretionary
- Technology
- Cash
- Industrials
- Other



- Trinidad and Tobago
- Jamaica
- USA
- Canada
- Barbados
- Other

INVESTMENT GROWTH


The chart illustrates the growth of a one hundred dollar (\$100) investment made in the Republic Caribbean Equity Fund at the start of 2016 until 31 March 2020.

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Important information concerning the investment goals, risks, charges and expenses is contained in the prospectus, copies of which are available from any branch of Republic Bank Limited or from our website and should be read carefully before investing. This investment is not insured or guaranteed by the Central Bank of Trinidad & Tobago, the Deposit Insurance Corporation of Trinidad and Tobago, The Trinidad and Tobago Securities and Exchange Commission, Republic Bank Limited, its parent company Republic Financial Holdings Limited, any affiliates or subsidiaries of the Republic Financial Group or any person or corporation. Performance is subject to variation and is likely to change over time. Past performance is not necessarily a guide to future performance.

REPUBLIC CARIBBEAN EQUITY FUND

 31st March 2020

MARKET REVIEW & OUTLOOK
CARIBBEAN BASIN

The All TT Index declined \downarrow 6.87% on a price return basis for the quarter ended December 31st, 2019, as the potential impacts of the COVID-19 pandemic and subdued energy prices on local corporations and the wider economy were factored into market expectations by investors. This resulted in a broad sell-off of Trinidad and Tobago equities, with double digit declines noted in the majority of stocks making up the index. Leading these declines were the CLICO Investment Fund (\downarrow 24.35%), Guardian Holdings Limited (\downarrow 19.58%) and National Flour Mills Limited (\downarrow 18.52%).

The emergence of the COVID-19 pandemic and subdued energy prices are expected to shock Trinidad and Tobago's economy, as prevalent issues such as the dependence on the energy sector, a slow rebound in the non-energy sector, and continued shortages of hard currency are stressed to a greater extent. While monetary and fiscal stimuli have, and may be further employed to minimize the effect of the pandemic and the shutdown subsequently caused by it, Trinidad and Tobago's economy is expected to contract in 2020, as materially lowered energy prices and reduced business activity endure. The IMF has projected that Trinidad and Tobago's Real GDP will decline by \downarrow 4.5% in 2020, before a positive turn to 2.8% in 2021. Similarly, corporate earnings are expected to be negatively impacted by the temporary reduction in activity as the population is encouraged to self-isolate and many businesses are required to close.

The Cross Listed Index, which primarily comprises shares of Jamaican companies, declined \downarrow 16.41% on a price return basis for the quarter ended March 31st, 2020. The decline stemmed primarily from the anticipated effects of COVID-19 on Jamaican companies and the economy. Leading the declines on a price return basis was GraceKennedy Limited (\downarrow 30.4%), followed by JMMB Group Limited (\downarrow 23.5%), and then by the index's largest weight, NCB Financial Group (\downarrow 19.0%). First Caribbean International Bank (\downarrow 3.8%), the second highest weight in the index and the only Barbados equity within it, also contributed to the index's decline, though to a lesser extent.

Following eighteen consecutive quarters of positive GDP growth and a strong drive towards fiscal consolidation, Jamaica's economy is expected to be significantly impacted by the COVID-19 pandemic as major sectors in the economy minimize or shutdown activities for the duration of the pandemic. Already affected by the closure of the Alpart bauxite/aluminia plant, Jamaica's integral mining sector will be further stressed by the emergence of the pandemic. With travel restrictions being imposed and event cancellations occurring, Jamaica's tourism sector will also be negatively impacted. Remittances from the United States, Canada and the United Kingdom are often a significant contributor to Jamaica's GDP, with the World Bank recording remittances to be 15.9% of Jamaica's GDP in 2018. With rising unemployment and economic slowdowns in these countries, the amount of remittances to Jamaica may fall. Furthermore, the institutions engaged in money services will also be negatively affected as remittances are reduced. The IMF has projected that Jamaica's Real GDP will decline by a significant \downarrow 5.6% in 2020. Corporate performance is also expected to be negatively impacted as economic activity slows.

Overall, the Trinidad and Tobago Composite Index declined \downarrow 10.3% on a price return basis for the quarter ended March 31, 2020.

INTERNATIONAL

The MSCI World Index declined \downarrow 21.1% for the quarter ended March 31, 2020, as global equities suffered profound losses in the face of the COVID-19 pandemic. The decline was led by the Energy sector (\downarrow 44.8%), which was also subject to an oil price war within OPEC+. This was followed by the Financials (\downarrow 31.8%) and Materials (\downarrow 26.35%) sectors.

The first quarter of 2020 saw the world stricken by the spread of COVID-19, and the economic effects of social distancing to contain the virus, along with drastically reduced consumer and business confidence. The rapid spread of the virus created an unprecedented rate of decline in economic activity and financial asset prices. Oil prices fell 66.46% in Q1, its worst quarterly performance on record. The collapse was triggered by a confluence of the COVID-19 pandemic that slashed demand and OPEC+'s failure to reach an agreement regarding production cuts which resulted in a glut. The Federal Open Market Committee (FOMC) in the U.S. lowered its target for the federal funds rate to 0% - 0.25%, in order to support the U.S. economy amidst the economic impact of COVID-19 and promote maximum employment and price stability. The uncertainty surrounding the full scale of the economic impact of the virus has, and continues to influence volatility within global financial markets, while economic activity slows significantly. To reflect the perceived effects of the pandemic, the IMF revised its global growth forecast for 2020 to a decline of \downarrow 3.0%, from growth of 3.3% in its January 2020 outlook.

Sources: The Trinidad and Tobago Stock Exchange (TTSE), Bloomberg LP, The Central Bank of Trinidad and Tobago (CBTT), The International Monetary Fund (IMF), The World Bank (WB), & Standard and Poor's (S&P) Global Ratings.

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