



Your Future. Our Business.

Dear fellow investors,

The Fortress funds posted healthy returns in the second quarter, adding to what are even healthier year-to-date gains in pretty much every corner of our equity portfolios. The one-year returns are even stronger, ranging from 28% for the Fortress Caribbean Growth Fund to 47% for our US\$ Emerging Markets Fund. It is important to note that these returns do *not* reflect any genius whatsoever on our part – they mostly have to do with how unusually weak financial markets were this time last year, and the natural tendency of share prices to eventually move back into line with underlying company fundamentals like earnings. It is also important to note that future years' gains will almost certainly be (far) more moderate than the outsized gains of the last year.

With the last year's recovery, global stocks have now returned to their pre-2020 trajectory, as though the pandemic did not happen. The same is true for company earnings, which in the U.S. and elsewhere have easily surpassed pre-pandemic levels, and look set to grow this year, and again the year after. Unfortunately, some speculative parts of the stock market now have very high valuations and risks to match, in our view. Other areas contain companies whose prospects have likely been permanently diminished by the pandemic or other factors. But these are not the areas where we shop. As always, we aim to own shares in well-run, profitable, growing businesses that are trading at reasonable prices. Thankfully, there are still *many* of these around the world and we remain extremely constructive on the long-term return prospects for our portfolios. Every year just won't be like last year – we hope.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

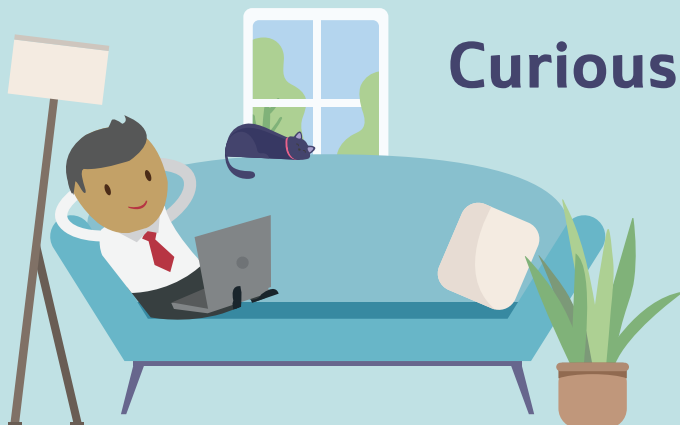
gained 6.4% in the second quarter and is up 28.1% over the past year. Global stocks continued to strengthen and our holdings in Trinidad and Jamaica rallied.

THE CARIBBEAN HIGH INTEREST FUND

returned 1.1% in the second quarter and is up 4.5% over the past year. Bond prices rose as central banks helped quell inflation fears.

THE CARIBBEAN PENSION FUND

shares gained between 2.1% and 6.2% in the second quarter and are up between 7.8% and 23.3% over the past year. Equity investments continued to perform well and bond prices stabilised.



Curious about your investments?

In between quarterly reports you can check the latest fund values at www.fortressfund.com, sign up to receive our periodic email updates, or look for us online on Facebook, Instagram and LinkedIn.

If you have questions, we're always only an email or phone call away at invest@fortressfund.com or 431-2198.



Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund gained 6.4% in the quarter and is up 28.1% over the past year.*
- *Global equities continued to strengthen despite the impact of new COVID-19 variants, and holdings in Trinidad and Jamaica rallied.*

The Fund gained 6.4% in the second quarter and is up 28.1% over the past year. The net asset value (NAV) per share as of June 25 was \$7.1521. Net assets of the Fund were \$587 million, up from \$462 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 8.4% per year. Its portfolio remains well diversified by security, geography and currency.

The Caribbean held its own over the quarter as the Jamaican index gained 8% and Trinidad was up 4%. Some of the Fund's larger holdings were among the top performers. In Trinidad, Massy and Guardian posted gains of 27% and 29% respectively, supported by strong financial reports and enthusiasm about cross-listings on the Jamaica Stock Exchange. In Jamaica, Sagicor Jamaica and GraceKennedy increased by 12% and 14% respectively while PanJam Investment, another one of the Fund's larger holdings, registered a gain of 9%. The Fund's Barbados holdings were flat over the quarter, in line with index performance as tourism activity remained subdued. Our position in Sagicor Financial, which used to be listed in Barbados but now trades in Toronto, gained 15% in the quarter as it bounced back from weakness earlier in the year.

Internationally, the recovery in global economic activity continued even as the spread of the COVID-19 variants dampened the pace of recovery in some places where vaccination rates have been lower. During the quarter, the U.S. Federal Reserve (Fed) reaffirmed its commitment to expansionary monetary policy but suggested there would be limits to its largesse now that the economy was performing better, and inflation was rising. U.S. President Joe Biden announced an enormous infrastructure package, adding further fiscal help to the Fed's ongoing monetary support. Against this backdrop, the Fund's global investments continued to perform well even as growth shares again outpaced value in the quarter. The Fortress US Equity Fund returned 7%, the Fortress International Equity Fund was up 3% and the Fortress Emerging Market Fund gained 4%. These funds are up 46%, 36% and 47% respectively over the past year. Other significant global holdings also performed well. Berkshire Hathaway gained 9%, the Templeton Asian Smaller Companies Fund was up 12%, and our positions in large-cap biotechnology shares also contributed meaningful gains.

During the quarter, we took profits on some holdings that had rallied significantly, both regionally and internationally, adding to our U.S. equity allocation and raising cash. After a year or more of recovery in stock markets, we see stretched valuations and rising risks in some areas. Thankfully, not all stocks are created equal. There is still very good value to be found in the Caribbean region and around the world, and our long-term outlook for the kinds of high-quality, well-valued shares in which the Fund invests remains distinctly positive.

The Fund is once again open to all new subscriptions.

FUND OBJECTIVE

Capital growth over the long term. The Fund uses a value approach to invest primarily in Caribbean and international equities.

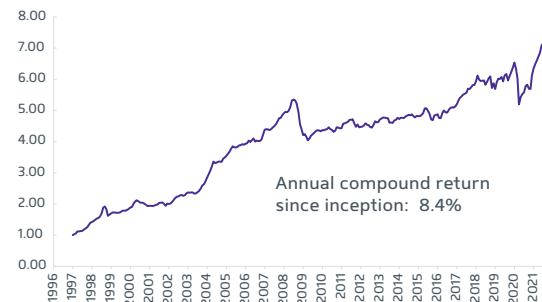
Minimum Investment	\$100
Net Asset Value per share	\$7.1521
Fund Net Assets	\$586,996,185
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

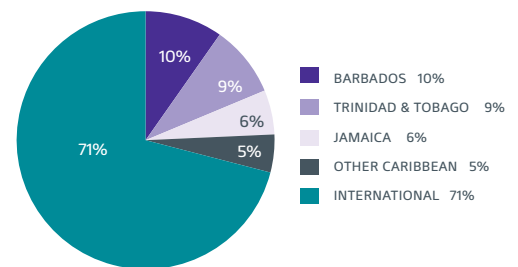
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	6.4%	28.1%	7.1%	7.7%	8.4%
Jamaica	7.9%	3.5%	6.4%	17.6%	7.7%
Trinidad	4.2%	6.5%	4.3%	3.6%	8.6%
Barbados	0.3%	-15.5%	-6.0%	-0.6%	2.8%
MSCI World	7.9%	39.7%	15.6%	15.4%	7.9%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2021



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country/Region
1 Fortress International Equity Fund	International
2 Fortress Emerging Markets Fund	International
3 Fortress US Equity Fund	US
4 Templeton Asian Smaller Companies	Asia
5 Fortress OAM Overseas Fund	International

EXPENSES

Manager: 1.75% per annum of net assets
Custodian:
 0.0875% on first \$30M in net assets
 0.075% on amounts over \$30M in net assets
Administrator:
 0.10% on the first \$30M in net assets
 0.0875% on amounts over \$30M in net assets
Redemption Charge: none
Initial Charges: 2%

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

CIBC FirstCaribbean International Bank
 Wealth Management Division

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

Sir Geoffrey Cave, Chairman
 John Howard
 Maria Nicholls
 Tracey Shuffler
 John Williams
 Roger Cave, Investment Manager

Caribbean High Interest Fund

HIGHLIGHTS:

- *The Fund was up 1.1% in the second quarter and is up 4.5% over the past year.*
- *Bond prices rose as central bank statements reduced fears that currently high inflation would be encouraged to run higher.*

The Fund was up 1.1% in the second quarter and is up 4.5% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of June 25 was \$2.1173, while the Distribution share finished at \$1.0108. Net assets of the Fund were \$140 million, up from \$134 million this time last year. The Fund's annual compound rate of return since inception in 2002 is 4.0% per year. Its portfolio remains as diversified as possible across various issuers, industries, geographies and terms to maturity.

After a relatively weak start to the year, global bond prices generally rose in the second quarter. This came after a period where investors had been preoccupied with surging commodity prices – relative to last year's depressed levels – and the likely impact on inflation. The yield on the U.S. 10-year Treasury note declined from 1.74% to 1.47%. This pushed bond prices higher, positively impacting the Fund's performance. Corporate spreads also came in tighter at the end of the quarter. In June, the U.S. Federal Reserve (Fed) announced it would maintain its exceptionally easy monetary policy stance for some time. It hinted, though, that interest rates might begin to rise earlier than previously expected based on the strength of the economic recovery and high (likely temporary) inflation readings. The bond market gained comfort from this acknowledgment that there was a limit to how much monetary stimulus could come in the name of battling the pandemic economic fallout. Rates are still well below pre-pandemic levels, and we think have the potential to move higher as economic activity continues to normalise. During the quarter, we added additional holdings in 7-year U.S. Treasuries where interest rate risk is moderate relative to expected returns, and marginally increased our allocation to emerging market bonds. We also added selectively to U.S. corporate bonds.

Within Barbados, activity remained sporadic in the bond market as the Government of Barbados (GOB) has yet to resume substantial bond issuance and there were no substantial corporate bond deals. The Fund rolled over some of its domestic corporate bond positions as they matured and established one new high-quality domestic bond holding in the five-year term yielding 4.25%. Our existing corporate positions continued to perform well even with the general economic stress from the pandemic. The Fund's GOB weighting fell marginally from 11% to 10% as we continued to collect scheduled principal repayments on our GOB Series F bonds. By the end of the second quarter, the average term to maturity of the Fund's portfolio remained relatively short at 3.3 years. Cash is still relatively high at 12%, reflecting the current lack of viable options in the domestic market. Over time we expect this to decline as market activity in Barbados recovers along with the general economy. For now, cash remains a moderate drag on performance. The Fund's gross yield stands at 3.1%, down slightly from 3.3% last quarter, a good estimate of the medium-term return potential.

The Fund is currently open only to monthly savings programmes and pensions. It remains closed to new lump sum investments.

FUND OBJECTIVE

Income and capital preservation over the medium term. The Fund actively invests in a diversified portfolio of primarily Caribbean and international debt securities.

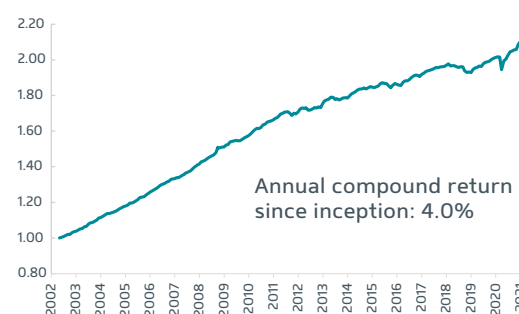
<i>Minimum Investment</i>	\$500
<i>Net Asset Value per share</i>	\$2.1173 / \$1.0108
<i>Fund Net Assets</i>	\$140,494,821
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

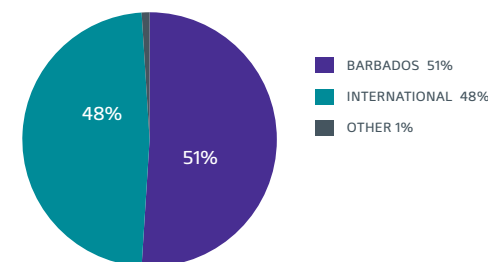
3 Months	1 Year	3 Years	5 Years	Inception
1.1%	4.5%	2.7%	2.3%	4.0%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2021



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country
1 Fortress Fixed Income Fund	International
2 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
3 Government of Barbados Series F Bond	Barbados
4 Fortress World Fixed Income Fund	International
5 First Citizens Repo July 5, 2021	Barbados

EXPENSES

Manager: 0.75% per annum
Custodian & Administrator:
 0.20% on first \$30M in net assets
 0.175% on next \$50M in net assets
 0.15% on amounts over \$80M in net assets
Redemption Charge:
 2% for funds held less than 6 months
 Up to 1% for funds held less than 6 months - 2 years
 Nil after 2 years
Initial Charges: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd.

CUSTODIAN

CIBC FirstCaribbean International Bank
 Wealth Management Division

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

DIRECTORS

Sir Geoffrey Cave, Chairman
 John Howard
 Maria Nicholls
 Tracey Shuffler
 John Williams
 Roger Cave, Investment Manager

Caribbean Pension Fund

HIGHLIGHTS:

- The three classes of shares of the Pension Fund gained between 2.1% and 6.2% in the second quarter and are up between 7.8% and 23.3% over the past year. Equity investments continued to perform well, and bond prices stabilised.
- Returns by class of share are shown in the table to the right.

The best financial advice on preparing for retirement goes something like: “Spend a lot less than you earn, and invest the rest sensibly for the long-term, over as many years as possible.” But what about the other parts of preparing for retirement – because retirement can be hard psychologically and physically, too. Here, too, the best advice suggests that some long-term preparation is a good idea. Below are a few questions to think about for getting ready for the non-financial part of retirement:

- *What are 2-3 things that make you feel really useful to others?* These can be anything that feels meaningful – volunteering, mentoring others, even work of some kind – especially if organised with a group, club or other organisation. Why not start now, and then continue in retirement?
- *If you were to go back to school, what would you like to learn?* There are so many ways to learn today, why not start learning something on your list right now?
- *If you were to do some part-time work just for the fun of it, what would it be?* Retirement doesn’t have to be the end of all paid work. Some work can be fun once the pressure is off. Why not start planning this now?
- *And, of course, what would you do with a chunk of free time?* If you like to travel, for example, what are a half dozen meaningful experiences you would like to have abroad that take weeks, or months – more time than you have now? With all these questions, it’s OK to start the list now and change it as you go and have new ideas.

Investors in the Pension Fund typically select from three different classes of shares, based on personal circumstances and risk tolerance. These classes differ in how their assets are spread across the major asset classes of equities, bonds, and real estate and other assets. The graphs show how each of the classes (AA, CC, CS) is allocated currently. The reports on the Caribbean Growth Fund and Caribbean High Interest Fund on pages two and three of this quarterly report give you a direct look into the performance, positioning and outlook for the major underlying investments in the Pension Fund.

Fortress is a leading provider of investment management and pension administration services to defined contribution (DC) and defined benefit (DB) pension plans of all sizes.

In addition, our proprietary pension products serve companies and employees both before and after retirement:

Fortress Multi-Employer Pension Plan

- Complete outsourced solution helps companies bypass the expense and burden of maintaining a standalone pension plan.
- Each company selects their own suite of plan details including eligibility, vesting periods, contribution rates, and retirement age.
- As a participant, you select your own investment option from the three classes of the Fortress Caribbean Pension Fund.

Personal Pension (RRSP)

- Individual account for investing your own pension savings.
- If you change employers your accumulated pension savings can be transferred into an RRSP and remain invested as you select.

INNOVA Lifestage Income Plan

- An alternative to low rates on fixed annuities after retirement.
- You stay invested even in retirement and draw down a variable monthly pension from your own investment account.
- Any undrawn amount forms part of your estate.

The Fortress Caribbean Pension Fund is the primary investment offering behind all our pension products and for company defined contribution pension plans.

EXPENSES

Manager: 0.50% per annum of net assets at the Fund level.
Fees from the underlying Fortress funds in which the Fund invests are capped at between 0.25% and 0.50% per annum of net assets, depending on the fund.
Custodian: \$7,500 per year paid by the Fund as a whole.
Administrator: 0.03% per annum.
Sales Charge: None
Redemption Charge: none

MANAGER & ADMINISTRATOR

Fortress Fund Managers Ltd

CUSTODIAN

CIBC FirstCaribbean International Bank
Wealth Management Division

AUDITORS

EY Barbados

ATTORNEY-AT-LAW

Clarke Gittens Farmer

FUND OBJECTIVE

Capital growth, income and security over the long term, as appropriate to each class of share. The Fund invests in equities, fixed income, and real estate assets primarily via the other Fortress funds.

Net Asset Value

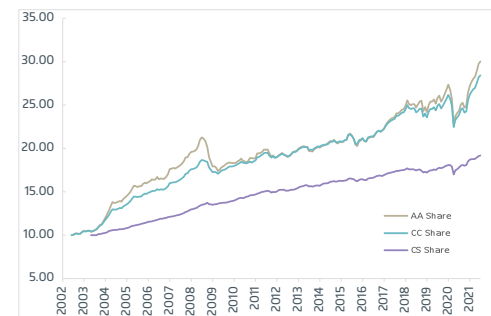
Per Share: \$30.02 / \$28.42 / \$19.19 (AA/CC/CS)
Fund Net Assets: \$388,799,529

INVESTMENT RETURNS

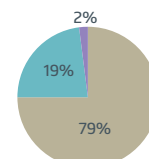
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	6.2%	23.3%	6.7%	7.1%	5.9%
CC Share	5.3%	19.1%	5.6%	5.8%	5.6%
CS Share	2.1%	7.8%	3.2%	2.9%	3.7%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO JUNE 30TH, 2021

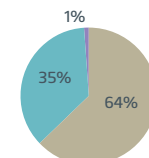


ASSET ALLOCATION



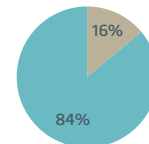
AGGRESSIVE ACCUMULATOR (AA)

EQUITIES 79%
FIXED INCOME 19%
REAL ESTATE/OTHER 2%



CONSERVATIVE CONSOLIDATOR (CC)

EQUITIES 64%
FIXED INCOME 35%
REAL ESTATE/OTHER 1%



CAPITAL SECURE (CS)

EQUITIES 16%
FIXED INCOME 84%
REAL ESTATE/OTHER 0%

DIRECTORS

Sir Geoffrey Cave, Chairman
René Delmas
John Howard
Desmond Kinch
Maria Nicholls
Tracey Shuffler
John Williams
Roger Cave, Investment Manager

Please see our **Fund Prospectus** for further important information.