



Your Future. Our Business.

Dear fellow investors,

What a difference a year makes. This time last year we wrote to you about the substantial declines in financial markets in early 2020 sparked by the spread of COVID-19. Now, in early 2021, we are more happily reporting on the substantial recovery that has occurred since. You can see the extent of that recovery in the one-year return numbers for the Fortress funds in the accompanying reports – as luck would have it, the lows of last year were reached in late March. In the case of the Fortress Caribbean Growth Fund, much of the recovery was powered by allocations to global investments via our own US\$ funds which posted gains of between 50% and 70% from this time last year, on positions in well-valued, high-quality shares around the world.

Since last year there has been meaningful, though sometimes halting, progress on beating the pandemic, so a return to more normal activity in the months ahead seems likely. In keeping with this expectation, many financial asset prices are now higher, with expected returns for the future correspondingly lower. This is a time for being extremely selective because there are still great long-term investments to make, but they are by no means everywhere. As always, our funds own shares in profitable, growing companies trading at reasonable prices. We are investing cautiously in bonds with close attention to credit and interest rate risks. In the Caribbean, and around the world, we continue to invest in a disciplined way for the long-term, and we still see considerable return potential ahead.

Thank you very much for investing with us.

Sincerely,
Fortress Fund Managers

OF INTEREST THIS QUARTER:

THE CARIBBEAN GROWTH FUND

gained 6.0% in the first quarter and is up 29.4% over the past year. Well-valued global equities had some of the strongest returns while Caribbean shares were mixed.

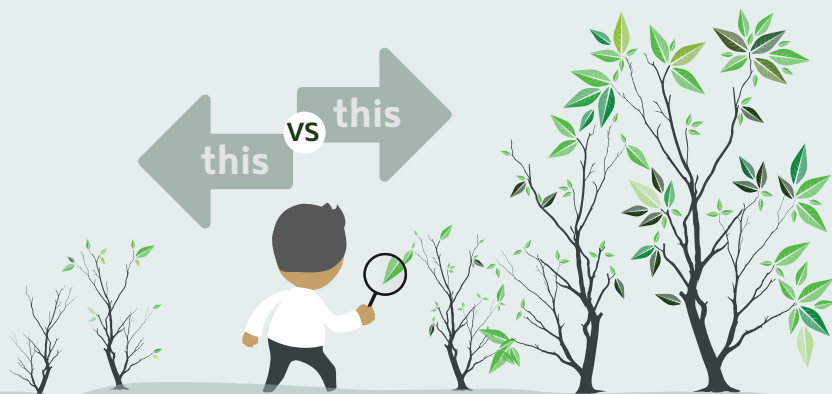
THE CARIBBEAN HIGH INTEREST FUND

declined 0.4% in the first quarter and is up 7.7% over the past year. Global bond yields rose as economic activity picked up, while bond market activity in Barbados remained subdued.

THE CARIBBEAN PENSION FUND

shares gained between 0.5% and 3.9% in the first quarter and are up between 10.6% and 23.9% over the past year. Equity investments continued to lead the way and recover from the lows of last year.

Are your “long-term” savings earning “long-term” returns?



It is hard to build wealth over decades with savings trapped in a deposit account. Historically, only long-term assets like stocks, bonds, and real estate (and mutual funds) have generated meaningful real returns over many years. Put your long-term savings in their place today.

Visit www.fortressfund.com, TALK TO US AT 431-2198 or email invest@fortressfund.com.



Caribbean Growth Fund

HIGHLIGHTS:

- *The Fund gained 6.0% in the quarter and is up 29.4% over the past year.*
- *Global equities continued to rally on the rollout of vaccination efforts worldwide while Caribbean shares had mixed returns.*

The Fund gained 6.0% in the first quarter and is up 29.4% over the past year. The net asset value (NAV) per share as of April 1 was \$6.7199. Net assets of the Fund were \$549 million, up from \$427 million this time last year. The Fund's annual compound rate of return since inception in 1996 is 8.2% per year. Its portfolio remains well diversified by security, geography and currency.

Regional Caribbean shares had lacklustre returns in the quarter while the Fund's global investments added to their substantial recent gains. The Barbados and Jamaica indexes dropped by 6% and 5% respectively while Trinidad showed a gain of 1%. Caribbean economies continued to face pandemic headwinds, especially in tourism. Against this backdrop, though, most of the Fund's larger Caribbean positions held their value or even posted gains. In Trinidad, Guardian gained 23% after reporting solid earnings growth and announcing an intention to cross-list its shares on the Jamaica Stock Exchange. In Jamaica, GraceKennedy gained 39% following the company's best-ever financial year, with strong performance in its money services and food trading businesses. It remains to be seen how sustainable these improved results are as COVID-19 impacts naturally fade. In Barbados, shares of FirstCaribbean International Bank, Goddard Enterprises and Epley Caribbean Property Fund remained approximately unchanged.

In contrast to the Caribbean experience, global markets started 2021 on a stronger note, supported by progress on vaccination rollouts and continued recovery in major economies. The kinds of high-quality well-valued shares in which the Fund invests had a particularly strong quarter, adding to returns in the nearly three-quarters of the Fund that is invested globally. Among the Fund's largest allocations, the Fortress US Equity Fund gained 14% while the Fortress Emerging Markets Fund gained 6% and the Fortress International Equity Fund added 8%. These three funds are up 70%, 55% and 51% respectively from this time last year, showing how depressed prices were last March and how swift the recovery has been. Value stocks outperformed growth during the quarter as concerns around potentially higher inflation and rising bond yields spurred rotation out of some of last year's big winners. As some of the Fund's positions rallied significantly early in the quarter, we took gains in areas like emerging markets and biotech, and added to holdings in the most resilient, steady-earning areas including a sizeable new position in Berkshire Hathaway. Against the backdrop of higher interest rates and signs of speculation in certain areas of the market we expect that investing selectively will be more and more essential in the coming months. Based on today's valuations, the outlook specifically for the kinds of well-valued shares in which the Fund invests remains positive for the years ahead, even as the prospects for some of the most highly valued areas of the market are not as rosy. We believe the recent strength in value shares against the broad market may have a long way yet to run and the Fund is well positioned for this.

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.

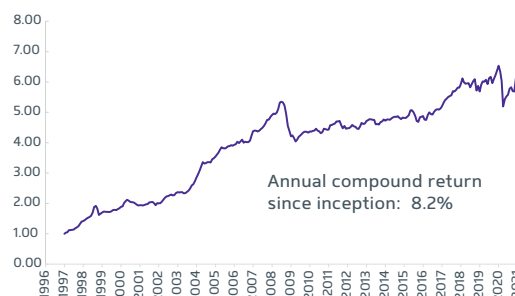
Minimum Investment	\$100
Net Asset Value per share	\$6.7199
Fund Net Assets	\$549,301,816
Fund Inception	Dec 9, 1996

INVESTMENT RETURNS

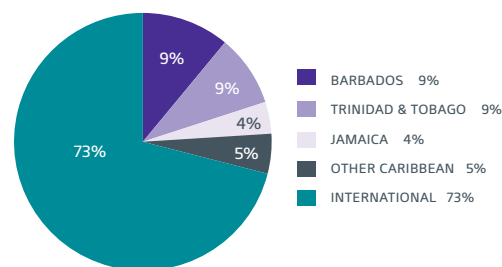
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept
Fortress	6.0%	29.4%	4.2%	6.5%	8.2%
Jamaica	-5.3%	-1.3%	4.0%	15.7%	7.5%
Trinidad	1.3%	0.9%	2.0%	2.9%	8.5%
Barbados	-5.9%	-22.6%	-8.9%	-0.3%	2.8%
MSCI World	5.0%	57.1%	13.4%	14.0%	7.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO MARCH 31ST, 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 Income Builder Intl Fund	International
4 Fortress OAM Overseas Fund	Europe/Asia
5 Fortress US Equity Fund	U.S.

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 declined 0.4% in the first quarter and is up 7.7% over the past year.*
- *Global bond yields continued to normalise along with economic activity, and issuance in the Barbados bond market remained subdued.*

The Fund was down 0.4% in the first quarter and is up 7.7% over the past year. The net asset value (NAV) of the Fund's Accumulation share as of April 1 was \$2.0942, while the Distribution share finished at \$0.9998 after declaring a dividend of \$0.0196 per share. Net assets of the Fund were \$136 million, up from \$128 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.

As global recovery from the pandemic continued during the quarter, bond yields also rose from extremely low levels. U.S. 10-year Treasury yields rose from 0.9% to 1.7% during the quarter, reaching pre-pandemic levels on the back of vaccination rollouts and expectations for an economic rebound. This adjustment pushed bond prices somewhat lower for many of the Fund's global holdings (just under half of the total portfolio), although yields looking forward from here will now be higher as a result. This is a natural process of normalising from a decidedly abnormal time over the last year. The Federal Reserve (Fed) kept its short-term target rate at zero and with its asset purchase programme remained among the most accommodative central banks in the world. These two facts combined suggest a market expectation of stronger economic growth in the coming year. Consistent with this, corporate bonds across the quality spectrum also saw their spreads tighten to what are now back to pre-pandemic levels. During the quarter, we took the opportunity to invest in select high yield and investment grade corporate bonds with maturities in the 5-7-year range, at higher rates. This nudged up the portfolio's average yield and term to maturity.

There was little activity in the local Barbados bond market during the quarter. The Government of Barbados (GOB) has yet to restart its domestic issuance following the 2018 default, but we should expect that they will return to the market at some point soon. The question will be at what rate the issuance comes when it resumes, especially given the economic stress brought on by the pandemic. Demand for new funds from corporate issuers, meanwhile, was still tepid as economic activity was stalled. During the quarter, the Fund's GOB weighting fell slightly from 12% to 11% as our GOB Series F bonds continued to make scheduled principal payments. The Fund rolled over a few of its maturing domestic corporate bond positions but did not establish any substantial new holdings during the quarter. The average term to maturity of the portfolio remains relatively short at 4.3 years, up from 4.0 years at the end of the year. We expect to continue increasing this number as rates rise and worthwhile investments become available. For now, Barbados dollar cash remains higher than we would like at approximately 10% of the portfolio. The Fund's gross yield is 3.3%, up from 3.1% last quarter, and 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.

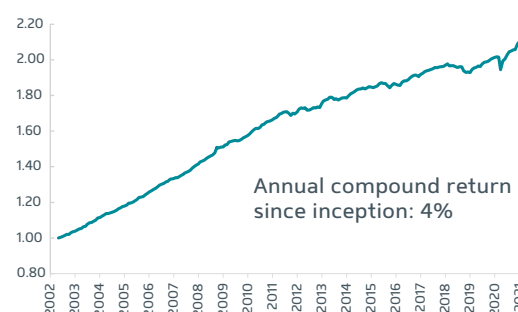
<i>Minimum Investment</i>	\$500
<i>Net Asset Value per share</i>	\$2.0942 / \$0.9998
<i>Fund Net Assets</i>	\$135,856,445
<i>Fund Inception</i>	May 17, 2002

INVESTMENT RETURNS

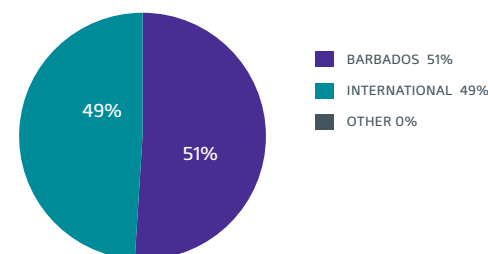
3 Months	1 Year	3 Years	5 Years	Inception
-0.4%	7.7%	2.1%	2.2%	4.0%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO MARCH 31ST, 2021



GEOGRAPHICAL DISTRIBUTION OF PORTFOLIO



TOP 5 HOLDINGS

Holding	Country
1 Fortress Fixed Income Fund	International
2 Fortress World Fixed Income Fund	International
3 Government of Barbados Series F Bond	Barbados
4 Deposits - CIBC FirstCaribbean Intl Bank	Barbados
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

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



Caribbean Pension Fund

HIGHLIGHTS:

- The three classes of shares of the Pension Fund gained between 0.5% and 3.9% in the first quarter and are up between 10.6% and 23.9% over the past year. Our equity investments continued to see a recovery from the lows of this time last year.
- Returns by class of share are shown in the table to the right.

We have been working to help people save and invest for retirement since launching our first mutual fund nearly 25 years ago. Over that time, every \$1 invested has grown to more than \$6.70, and for those who have been investing steadily each month it has grown to many, many times that. None of this growth has occurred in a straight line, though, because investing for the long-term always involves living through “real life” along the way.

Over the years we have lived, and invested steadily, through more than a few downturns to remember: the technology crash of 2000, the financial crisis in 2008/2009, the European banking crisis in 2011, the Government of Barbados debt restructuring in 2018, and most recently the COVID-19 market panic and disruptions of 2020 – some of which are still with us today. Through all these episodes (and more) there have been ups and downs. We have seen stock markets decline and then recover, over and over. The most recent case in point: the one-year returns for the Fortress Caribbean Pension Fund AA, CC and CS shares as of March 31, 2020 (this time last year) were -10.2%, -8.5% and -2.8% respectively. The one-year returns for the same shares as of March 31, 2021, the current quarter-end just one year later, were +23.9%, +20.2% and +10.6% respectively. This is a great reminder that after one time always comes another. If there’s one thing we’ve learned over the last 25 years, it’s that investing for the long-term pays.

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 below 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

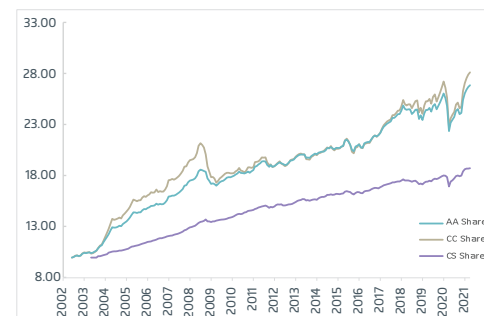
Per Share: \$28.26 / \$26.99 / \$18.81
 (AA/CC/CS)
Fund Net Assets: \$363,949,411

INVESTMENT RETURNS

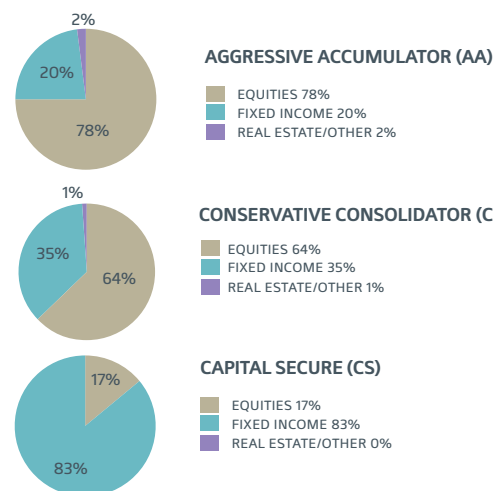
	3 Mo	1 Yr	3 Yrs	5 Yrs	Incept.
AA Share	3.9%	23.9%	4.2%	5.9%	5.7%
CC Share	3.1%	20.2%	3.2%	4.9%	5.4%
CS Share	0.5%	10.6%	2.2%	2.6%	3.6%

*periods longer than 1 year are annual compound returns

NAV SINCE INCEPTION TO MARCH 31ST, 2021



ASSET ALLOCATION



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.