

Quarterly Newsletter



VM Wealth Funds
Ltd.

FUND PERFORMANCE

For the third quarter ending September 30, 2024, the VM Wealth Capital Growth Fund's (VMCGF) Net Asset Value (NAV) per share was B\$1.3776 decreasing from B\$1.4058 at December 31, 2023; a change of B\$0.0282. This decrease in the NAV is as a result of unfavorable movement in the market values of the equities held within the Fund. Over the same period, the NAV of the VM Wealth Income Fund (VMIF) increased, from B\$1.4240 to B\$1.4344; while the NAV for the VM Wealth Property Fund increased from B\$0.6278 to B\$0.6974. The improvement in the NAVs of the funds is due to an updated valuation for the Apes Hill asset for the Property Fund.

The following table highlights the annual returns from 2020-2024.

Annual Returns					
FUND	2020	2021	2022	2023	2024
VM Wealth Capital Growth Fund	-5.62%	14.73%	-1.29%	4.32%	-1.62%
VM Wealth Income Fund	6.11%	-2.15%	6.91%	7.51%	3.57%
VM Wealth Property Fund	-3.28%	-1.71%	-1.91%	-3.47%	12.03%

ECONOMIC REVIEW

Despite global economic uncertainties, Barbados has maintained a steady path of economic growth. Real GDP advanced by 3.9 percent during the first nine months of 2024, driven by key sectors such as tourism, business services, and construction. Inflation moderated, unemployment fell, and the country's external position remained robust, marked by the highest end-September international reserves level, equivalent to 31.2 weeks of imports of goods and services.

Higher revenues from direct taxes, particularly corporation and property taxes, along with increased VAT receipts, have enabled the Government to boost public transfers and investments in critical sectors such as education and in digitisation efforts aimed at improving public service delivery. Outlays on innovation, such as the establishment of a new digital innovation and health centre, have also been prioritised to strengthen Barbados' future growth prospects.

A half-year (April to September) primary surplus of \$581.9 million, or 4 percent of GDP, contributed to a steady decline in the debt-to-GDP ratio, which now stands at 105.6 percent. The economic outlook is positive, despite growing geopolitical uncertainty. Looking ahead, Barbados' economy is expected to continue its positive trajectory, with growth driven by sustained activity in tourism, construction, and business services. While external risks such as global commodity price fluctuations and geopolitical uncertainties remain, the country's focus on strategic investments and fiscal prudence is anticipated to support further stability and resilience.

Robust performance across several key sectors drove economic growth in the first nine months of 2024. Tourism, construction, and business services led the expansion, pushing real GDP up by 3.9 percent. Activity in the non-traded sector grew across the board, for an average of 3.9 percent, while challenges in agriculture constrained growth in the traded sector to 3.8 percent. Despite these hurdles, the economy showed resilience against both domestic and external pressures.

FUND OUTLOOK

In its April 2024 World Economic Outlook, the IMF forecasts that global economic growth will remain at 3.2% in 2024, compared to 3.3% in 2023. Growth is expected to accelerate for some advanced economies while emerging market and developing economies will most likely register a modest slowdown in economic activity. According to the IMF, tourism-dependent economies in the Caribbean are projected to experience slower growth in 2024, with real GDP growth expected to reach 2.5 % compared to 3.5% in 2023.

Considering these ongoing and future developments, the EIU-RBL expects an average of 4.3% of GDP growth, which is just above IMF's real GDP growth forecast of 4.2% for 2024.

The Barbados economy continues to recover, and growth is predicted for the remainder of 2024. Rebalancing the portfolio remains a priority and will allow VM Wealth to take advantage of any opportunities within the global space. The Fund Manager remains optimistic that the underlying portfolios will remain strong and should serve to close the financial year with positive returns.

Quarterly Updates:

1

The updated prospectus and newsletters can be reviewed using the following link: vmwealthfunds.myvmgroup.com

2

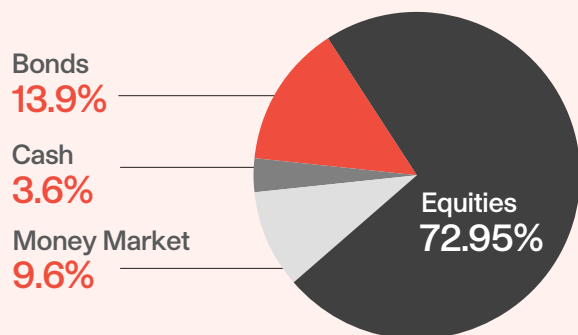
A dividend of B\$0.02 was paid to all VM Income Fund shareholders on February 21, 2024.

Past performance is not indicative of future performance. Investors should be aware of the risks associated with investments in Mutual Funds, including, but not limited to fluctuations in share price.



VM Wealth Capital Growth Fund

Capital Growth Fund - Asset Allocation



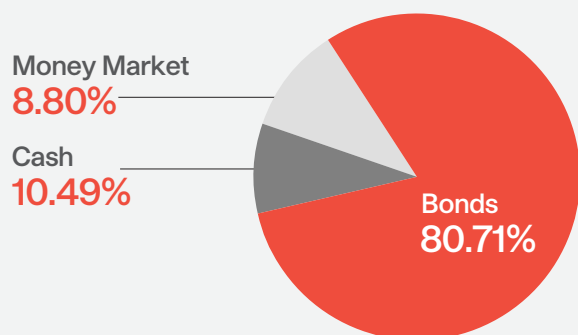
Top Holdings

Rank	Company/Issuer	Security Type
1	Goddard Enterprises Ltd	Equity
2	Massy Holdings Ltd	Equity
3	Government Series D Bond	Fixed Income
4	Ansa Mcal Ltd	Equity

Fund Size - **B\$6,511,934**
 Net Asset Value - **B\$1.3776**
 Minimum Initial Investment - **B\$500**
 Subsequent Investment - **B\$100**

VM Wealth Income Fund

Income Fund - Asset Allocation



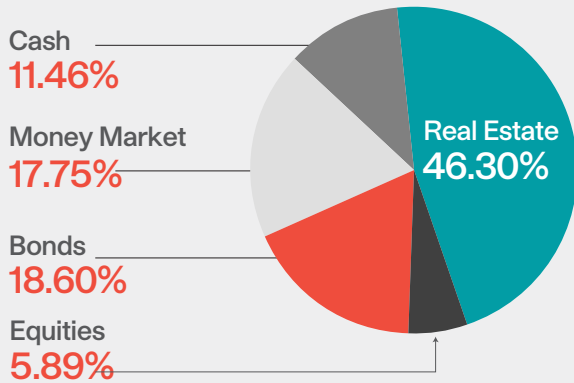
Top Holdings

Rank	Company/Issuer	Security Type
1	Government of Barbados Series D	Fixed Income
2	UWI - Clarendon Bond	Fixed Income
3	Barbados Port Inc Bond	Money Market
4	Proven Wealth Barbados Ltd	Money Market

Fund Size - **B\$11,892,775**
 Net Asset Value - **B\$1.4344**
 Minimum Initial Investment - **B\$500**
 Subsequent Investment - **B\$100**

VM Wealth Property Fund

Property Fund - Asset Allocation



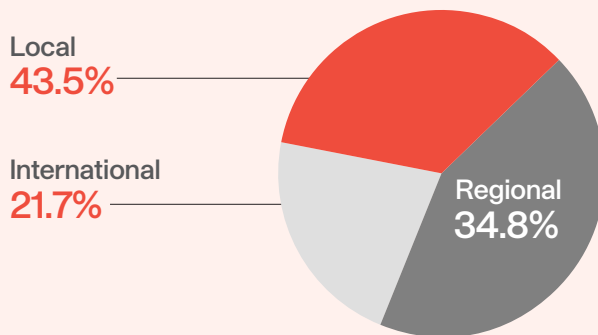
Top Holdings

Rank	Company/Issuer	Security Type
1	Apes Hill SRL Development	Real Estate
2	Government of Barbados Series D	Fixed Income
3	Proven Wealth Barbados Ltd	Money Market
4	Barbados Port Inc Bond	Money Market

Fund Size - **B\$1,553,357**
 Net Asset Value - **B\$0.6974**
 Minimum Initial Investment - **B\$5,000**
 Subsequent Investment - **B\$1,000**

Allocation by Territory

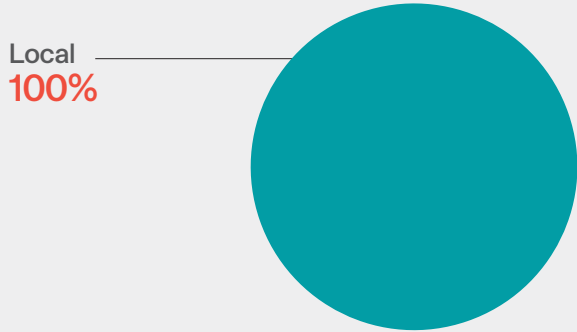
Capital Growth Fund - Territorial Allocation



Fund Size - **B\$6,511,934**

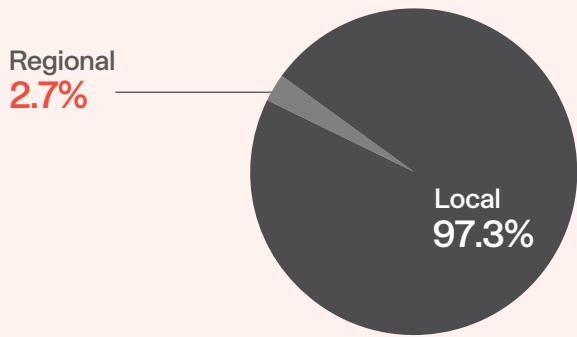


Income Fund - Territory Allocation



Fund Size - **B\$11,892,775**

Property Fund - Territory Allocation



Fund Size - **B\$1,553,357**

