

Quarterly Newsletter



**VM Wealth
Management**
Limited

FUND PERFORMANCE

For the quarter ending December 31, 2024, the VM Wealth Capital Growth Fund's (VMCGF) Net Asset Value (NAV) per share was B\$1.4229, compared to December 2023 at B\$1.4061. This shows an increase from the previous quarter end, September 2024, with a NAV per share of B\$1.3776; a change of B\$0.0453. This increase in the NAV is as a result of favorable movements in the market values of the equities held within the Fund. Over the same quarter, the NAV of the VM Wealth Income Fund (VMIF) increased, from B\$1.4344 to B\$1.4456; while the NAV for the VM Wealth Property Fund decreased from B\$0.6974 to B\$0.5615. The reduction in the NAV of the fund is due to a one-off membership and amenities fee for the Property Fund's largest holding. With stronger valuation of the Apes Hill Property expected, this fund should rebound in Q1 2025.

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%	6.50%
VM Wealth Income Fund	6.11%	-2.15%	6.91%	7.51%	6.58%
VM Wealth Property Fund	-3.28%	-1.71%	-1.91%	-3.47%	0.99%



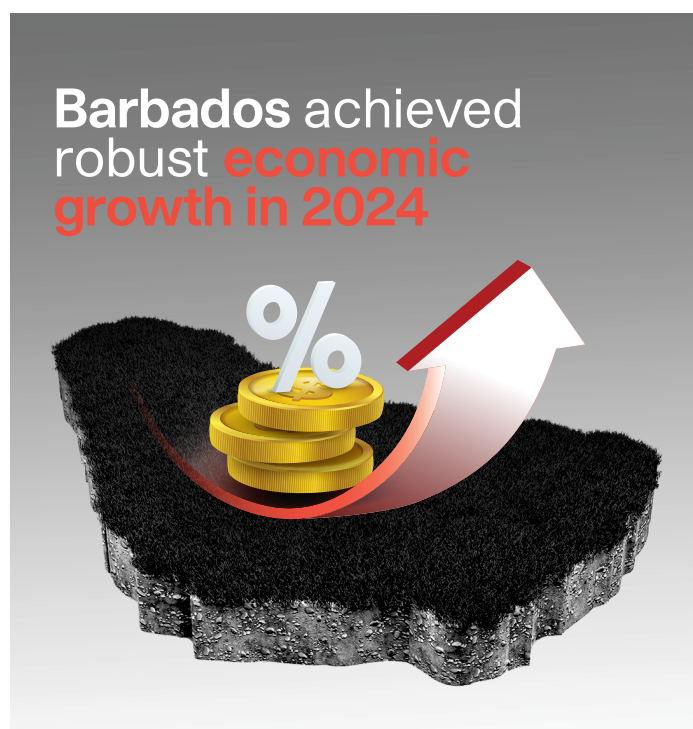
ECONOMIC REVIEW

Barbados achieved robust economic growth in 2024, marking three consecutive years of expansion and surpassing the estimated global growth rate. Real GDP increased by 4%, driven by strong performances in business services, tourism, construction, and retail trade sectors and inflation continued its downward trajectory due to stabilising price pressures.

A record level of gross international reserves of \$3.2 billion was registered, equivalent to 31.2 weeks of import cover, reflecting strong net foreign exchange inflows from higher tourism receipts and tax revenue generated by the global business sector.

Government's operations resulted in an overall surplus of \$224.8 million (1.5% of GDP), compared to a deficit of \$7.7 million (0.1% of GDP) in the previous period. Similarly, the primary surplus reached \$774.1 million (5.3% of GDP), driven by broad-based revenue growth and prudent expenditure management. These fiscal gains, along with the strong economic growth, contributed to a reduction in the debt-to-GDP ratio, which fell to 103%, down from 109.8% at the end of 2023.

Barbados' economy continues its positive trajectory, with growth driven by sustained activity in tourism, construction, and business services, despite external risks and remains focused on strategic investments and fiscal prudence to support further stability and resilience.



January 2025
World Economic
Outlook projects
global growth
to stabilize at
3.3% by
year-end



FUND OUTLOOK

The January 2025 World Economic Outlook projects global growth to stabilize at 3.3% by year-end, driven by advanced economies such as the USA, the Euro Area, and Canada. These developments are expected to bolster demand for Barbados' goods and services, particularly in tourism and trade. However, risks such as slower global growth, elevated inflation, and trade disruptions, could limit these benefits. Geopolitical tensions and the rising frequency of climate-related disasters, further underscore the need to continue building for economic resilience.

Barbados' economy is poised for sustained growth in 2025 with an annual average real GDP expansion rate of 3% anticipated in the short to medium term. The 12-month moving average inflation rate is projected to range between 1.5% and 2.5% for 2025, driven by easing international food and energy prices.

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 continue to perform well throughout the year.

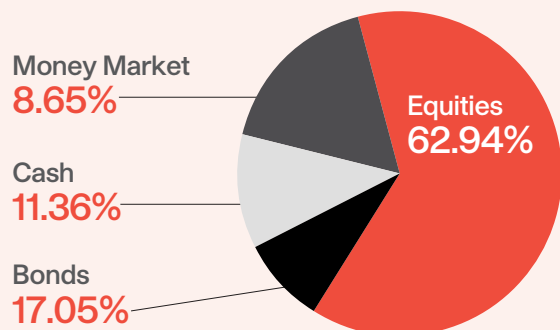
The Capital Growth Fund is poised to take advantage of its USD exposure by purchasing US equities and ETFs in Q4 2024 and into 2025 providing greater opportunities for strong performance and diversification of the fund.

The Income Fund remains in the top performer of its class for the past three calendar years and the Fund Manager intends to maintain this strong performance with the existing securities, while diversifying further in 2025.

The Property Fund is looking forward to improved property valuations in 2025 to enhance its performance. Also, following the reopening of this fund for public consumption in 2024, the Fund Manager is excited about providing this opportunity to clients in 2025. Property Funds are an underserved area in the market that VM Wealth Funds is opening up to current and potential clients.

VM Wealth Capital Growth Fund

Capital Growth Fund - Asset Allocation



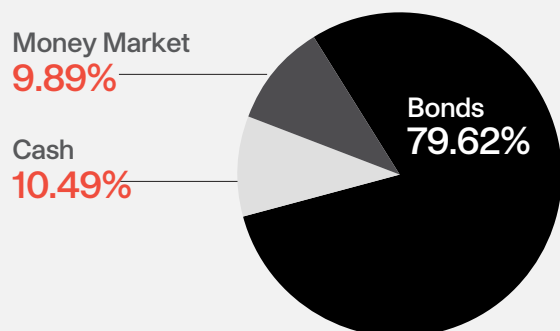
Top Holdings

Rank	Company/Issuer	Security Type
1	Massy Holdings Ltd	Equity
2	Goddard Enterprises Ltd	Equity
3	Government Series D Bond	Fixed Income
4	US Treasury Bills OID 03/06/2025	Money Market

Fund Size - **B\$6,764,508.09**
 Net Asset Value - **B1.4355**
 Minimum Initial Investment - **B\$500**
 Subsequent Investment - **B\$100**

VM Wealth Income Fund

Income Fund - Asset Allocation



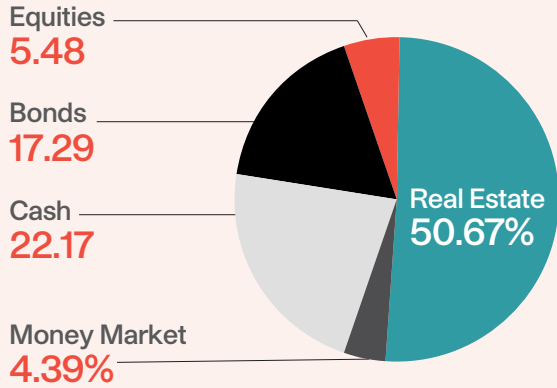
Top Holdings

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\$11,941,562.21**
 Net Asset Value - **B\$1.5177**
 Minimum Initial Investment - **B\$500**
 Subsequent Investment - **B\$100**

VM Wealth Property Fund

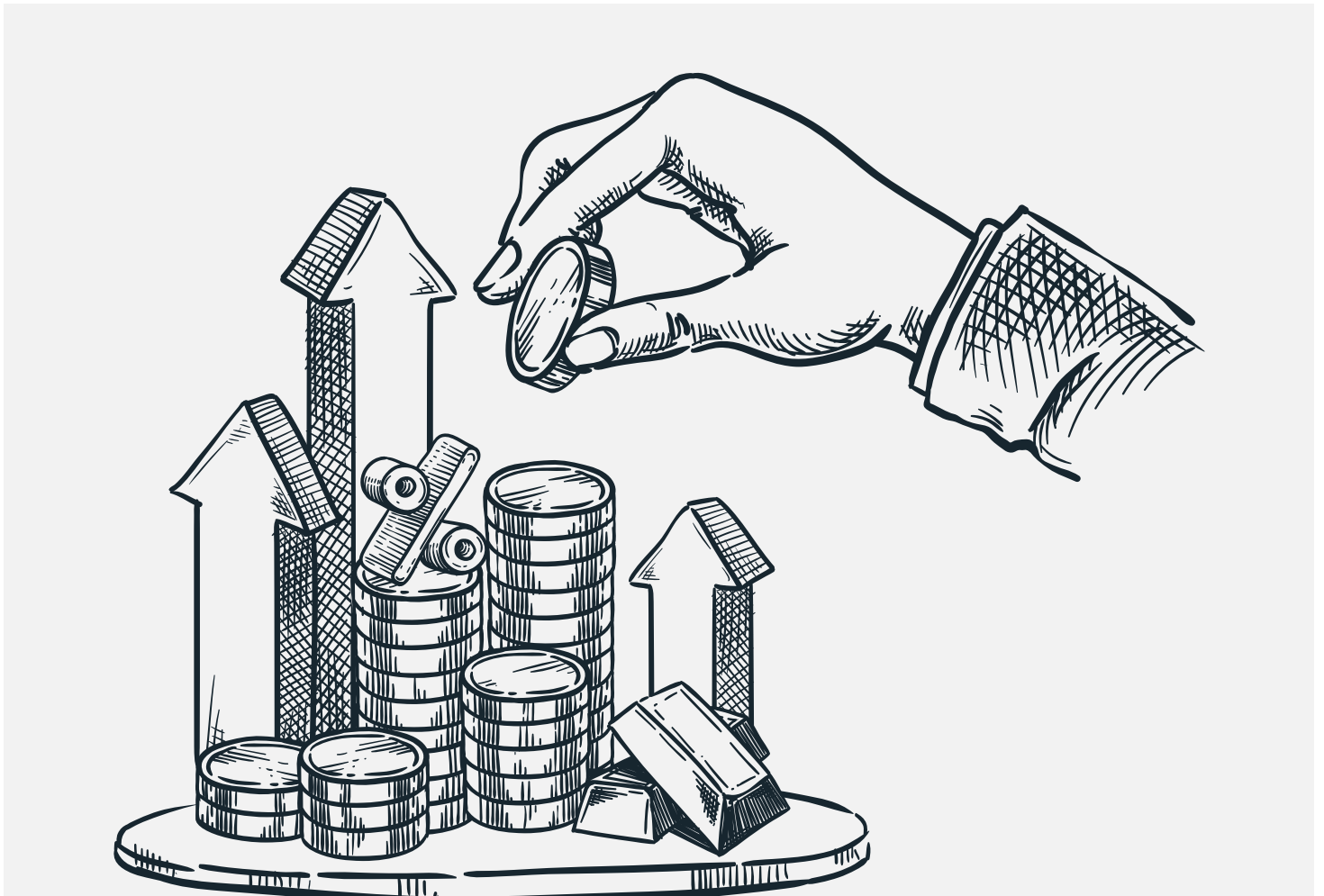
Property Fund - Asset Allocation



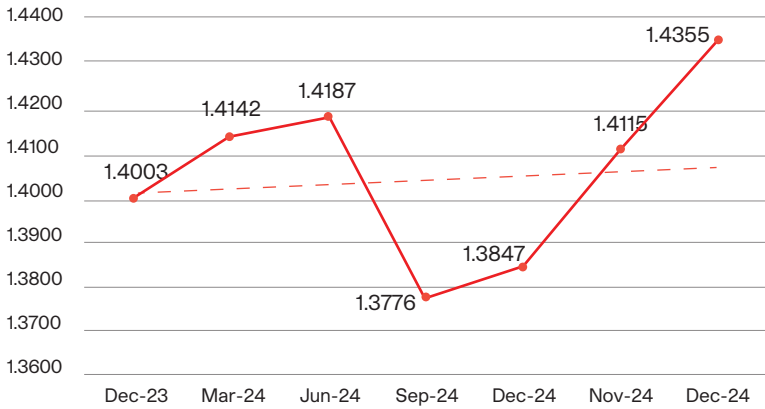
Top Holdings

Rank	Company/Issuer	Security Type
1	Apes Hill SRL Development	Real Estate
2	Government of Barbados Series D	Fixed Income
3	Barbados Port Inc Bond	Money Market
4	Southern Golf & Recreation	Equity

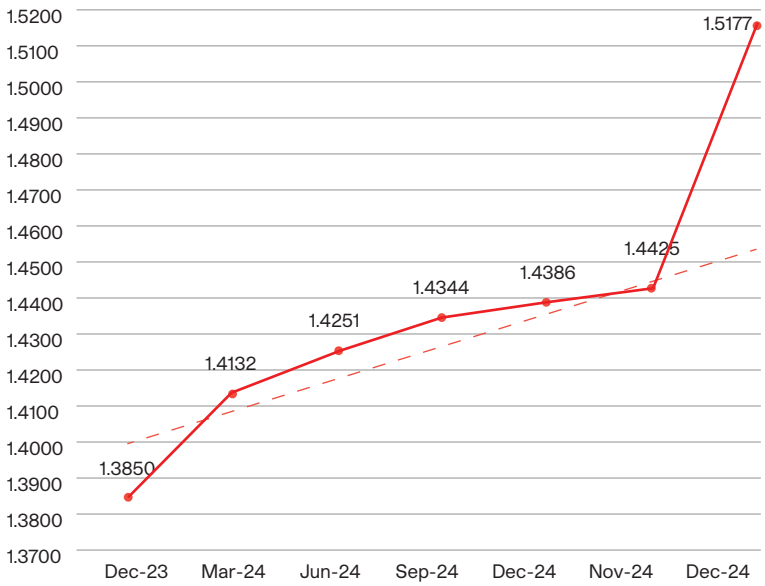
Fund Size - B\$1,246,953.37
 Net Asset Value - B\$0.6341
 Minimum Initial Investment - B\$5,000
 Subsequent Investment - B\$1,000



VM Wealth Capital Growth Fund NAV Movement



VM Wealth Income Fund NAV Movement



VM Wealth Property Fund NAV Movement

