

**FUND PERFORMANCE**

During the quarter, the Republic Income fund recorded a marginal increase in assets from \$13.7M at the end of June 2020 to \$13.8M at September 2020. This increase was driven by the improvements in the fixed income securities in the portfolio. However, the Republic Capital Growth Fund and the Republic Property Fund recorded declines in assets of \$0.15M and \$0.01M respectively after the recent volatility of the markets following the Covid-19 pandemic aftermath.

FUND	2016	2017	2018	2019	2020*
Capital Growth Fund	7.07%	0.17%	-10.00%	-13.22%	-2.47%
Income Fund	4.83%	2.52%	-20.84%	-2.55%	4.75%
Property Fund	-8.96%	-1.21%	-27.21%	-16.91%	-1.40%

* Returns for the 9 months ended 31, October 2020

ECONOMIC REVIEW

With the reopening of its borders to international traffic in July, and the ongoing relaxation of restrictions, economic activity in Barbados was greater in the third quarter than the second. However, the continued progression of COVID-19 and the resulting weak economic conditions in key source markets, along with uncertainty about travel protocols resulted in negligible stay-over arrivals in the third quarter, with most hotels remaining closed. Consequently, economic activity in the July-September quarter of 2020 fell by 18 percent compared to the same 2019 period, and is estimated to have declined by 16.3 percent for the first nine months of this year. The private sector experienced depressed sales and generally, planned investments have been delayed. Inflation has been trending down, with the 12-month moving average rate falling to 4 percent at the end of September. Outstanding public sector debt fell by 0.2 percent over the first nine months of 2020 as government continued to reduce its other indebtedness in line with debt restructurings. However the debt to GDP ratio increased to 131 percent in September, due to the contraction of the economy. Gross international reserves remained strong in the third quarter, reaching US\$1,017.5 million at the end of September, representing 28 weeks of import cover. The US\$277 million growth in reserves from January to September was primarily driven by borrowings from the International Monetary Fund (IMF) and the Inter-American Development Bank (IDB).

The country's achievements did not go unnoticed. On completion of its fourth review under the Extended Fund Facility (EFF), IMF officials congratulated Barbados on the implementation of its economic reform programme and achieving all the quantitative targets of the EFF up to September. Upon approval by the IMF Executive Board in December, US\$90 million will be made available to Barbados. Further, the Fund is proposing to augment the EFF by US\$66 million to help finance the country's emerging fiscal deficit.

FUND OUTLOOK

Tourism officials expect an increase in airlift in the October – December quarter, with a return to near normalcy in 2021. A greater number of hotels and restaurants are expected to open to accommodate the increase in arrivals, however the significant challenges being experienced by the source countries for Barbados' tourists in curbing the spread of COVID-19, makes it unlikely that 2021's tourist arrivals will return to the level of that of 2019. The likely weak recovery of tourism earnings will slow the recovery of other sectors that support the industry. The Central Bank of Barbados anticipates that the country's economy will gradually rebound in 2021. It should be noted that both the extent and timing of this rebound depend on a number of factors, some of which are not only beyond the control of Barbados, but also have downside risks.

Quarterly Updates:

The Directors of Republic Funds (Barbados) Inc. maintains the decision on the restriction of subscriptions to the Income Fund and limited redemptions to 20% of holdings per unit holder.

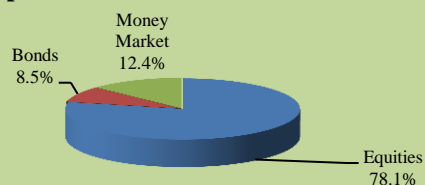


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Republic Capital Growth Fund

Sep-19	Dec-19	Mar-20	Jun-20	Sept-20
1.2560	1.2481	1.2530	1.2474	1.2299

Capital Growth Fund - Asset Allocation



Top Five Holdings

Rank	Company/Issuer	Security Type
1	Goddard Enterprises Ltd	Equity
2	Insurance Corporation of Barbados	Equity
3	Royal Bank of Canada	Equity
4	Massy Holdings Inc.	Equity
5	Government of Barbados Series D Bond	Fixed Income

Fund Size

\$ 7,044,292

Net Asset Value

\$1.2299

Minimum Initial Investment

\$500

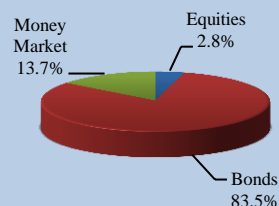
Subsequent Investment

\$100

Republic Income Fund

Sep-19	Dec-19	Mar-20	Jun-20	Sept-20
1.1924	1.1964	1.2053	1.2340	1.2497

Income Fund - Asset Allocation



Top Five Holdings

Rank	Company/Issuer	Security Type
1	Government of Barbados Series D Bond	Fixed Income
2	NSR Bond	Fixed Income
3	Barbados Port Inc.	Fixed Income
4	UWI - Clarendon Bond	Fixed Income
5	Goddard Enterprises Ltd.	Equities

Fund Size

\$13,826,160

Net Asset Value

\$1.2497

Minimum Initial Investment

\$2,000

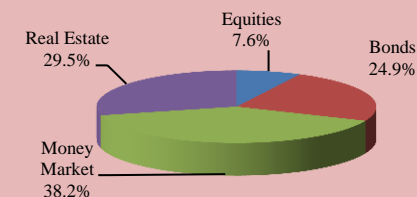
Subsequent Investment

\$500

Republic Property Fund

Sep-19	Dec-19	Mar-20	Jun-20	Sept-20
0.7007	0.6989	0.6918	0.6929	0.6876

Property Fund - Asset Allocation



Top Five Holdings

Rank	Company/Issuer	Security Type
1	Apes Hill Long Term Development	Real Estate
2	Government of Barbados Series D Bond	Fixed Income
3	Barbados Port Inc.	Fixed Income
4	One Caribbean Media	Equity

Fund Size

\$1,597,085

Net Asset Value

\$0.6876