

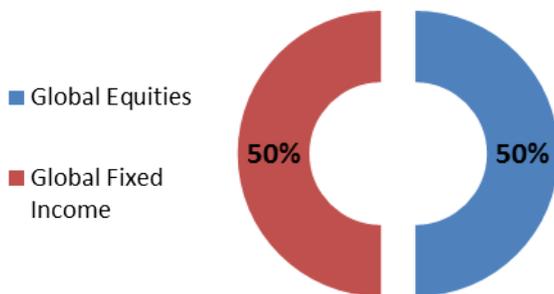
Mar Net Asset Value:	\$11.5782
Assets:	\$941K
Inception:	Aug-14

Performance:

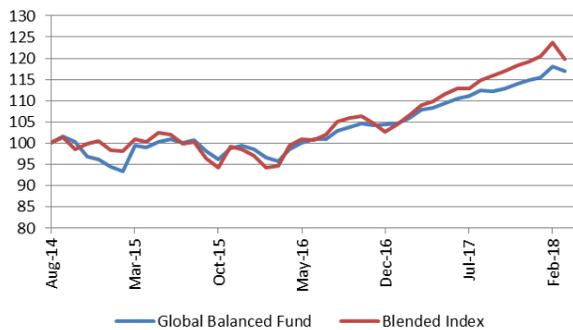
	Fund	Benchmark*
1 Month	-1.01%	-1.04%
3 Month	0.25%	-1.52%
1 Yr	6.84%	8.55%
3 Yr	16.46%	16.76%

* Blended Index: 50% MSCI All-Country World Index (MXWD) and 50% Bloomberg Barclays Emerging Markets USD Sovereign Bond Index (BSSUTRUU)

Allocation:



Performance:

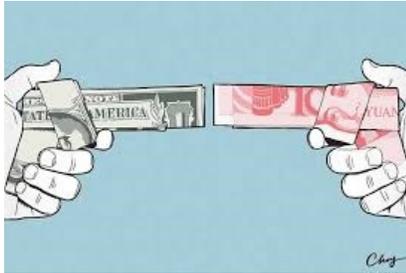


The Global Balanced Fund is a sub fund of the Royal Fidelity International Investment Fund. The fund is new and has limited performance history. Performance shown is for Series 1, or retail, shares, which may differ from other Series offered in the fund. The asset allocation shown is subject to change without notice and at the discretion of the investment manager, subject to the restrictions outlined in the fund's offering documents. Past performance doesn't guarantee future success.

Tough trade talk, inflation dominate Q1 global markets

Global trade proved to be a pretty important subject in the first quarter of the new year.

In fact, the mere suggestion of a potential trade war between the US and China sent equity investors scurrying for cover during the quarter. The S&P 500—which had registered a clear positive gain of 5.62% in January—turned right around and gave it all back (and more) in February (-3.89%) and March (-2.69%) to end the quarter down -1.22%. The fund eked out a modest 0.25% return over the same period.



And because misery loves company (or something like that!), other equity indicators followed suit across the globe: Eurostoxx 50 -4.07% for the quarter, MSCI Europe, Asia and Far East (EAFE) -0.90%, the Nikkei -5.76%.

In US fixed income, the Fed began the new year in a staring contest with inflation. And when investors start to place bets on who will blink first, volatility can't be far behind.

The fund's benchmark Bloomberg Barclays Emerging Market USD Sovereign Bond Index got knocked around in January and February, thanks largely to interest rate uncertainty (helped along by a few geopolitical dramas as well). The Index dropped -0.23% in January and -1.95% in February to end the quarter down -1.83%. The only positive month of the quarter for the index—interestingly enough—is March (+0.36%), the same month the Fed jacked up rates again by .25% to a range of 1.5-1.75%.



With inflation on the rise in the US, the Fed will likely be faced with more calls to reconsider the frequency of its increases, projected to be three in 2018. ♦

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