

## Bermuda Fund

Quarter 1 2026

### Objective

To achieve long-term capital growth and income by investing in a diversified portfolio of Bermuda assets.

### Investment policy

To invest in securities of companies incorporated in Bermuda or having a substantial presence in Bermuda.

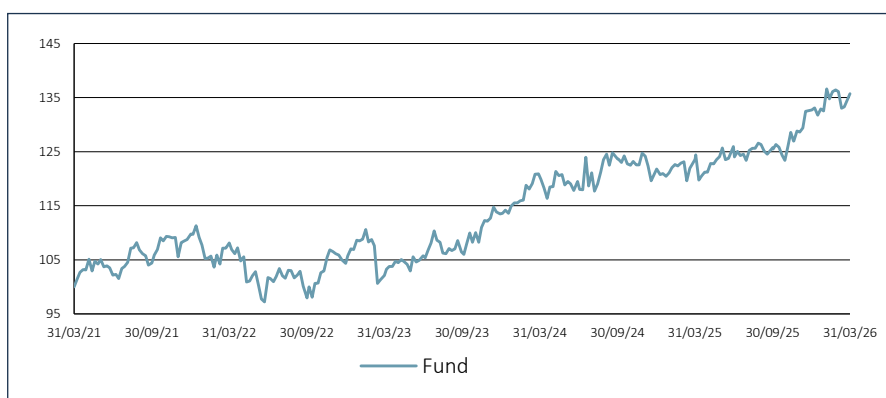
### Investment process

A comprehensive analysis, inclusive of qualitative and quantitative factors, is used to evaluate companies that fall into the scope of the Investment policy.

### Key facts as at 31 March 2026

Currency	BMD
Valuation	Weekly
Dealings	Thursday
Front end fee	None
Units available	Accumulation
Fiscal year end	30 June
Minimum investment	BMD 1,000
Total expense ratio	1.17%
Size of fund (millions)	BMD 25.49
NAV per share	BMD 51.77
Risk rating	High risk/High return

### Performance chart



### Performance returns

	Quarter	1 year	3 years*	5 years*	10 years*
Fund	2.55%	11.15%	11.40%	7.78%	11.46%

\*Annualized

### Fund review

In the first quarter of 2026, the Bermuda Fund had a price return of 2.55%. The fund maintained a dividend of \$0.15 per share. Asset allocation is 19.7% Fixed Income, 78% Equities, 2.3% Cash.

The first quarter of 2026 presented a mixed backdrop for equity investors, the S&P 500 declined approximately 4.6% reversing the momentum of the last quarter of 2025. The story of financial markets through January and most of February was characterized by rotations out of US large-cap growth companies into US large-cap value and small-cap companies. Escalating geopolitical tensions in late February drove a decline in investor sentiment throughout March although stocks did stage a partial recovery toward quarter-end. The financial sector was among the more resilient areas of the S&P 500 Index. Despite regulatory headwinds there is a lot of innovation expected in the sector and S&P 500 financials sector companies are expected to report year-over-year earnings growth of approximately 15% in the first quarter of 2026. At the Index level, investors' focus on valuations has shifted to expectations of forward earnings. Earnings expectations were flat from beginning of the year through much of February but began to creep upward at the end of Q1.

In the insurance subsector, global property reinsurance rates continued to decline through the first quarter while Casualty rates continued to rise. The emergence of alternative capital sources as capital solutions in the insurance market has been a positive for Insureds as coverage terms improve in an decreasing premium rate environment. Combined ratios are expected to soften modestly in 2026 as better than expected loss reserves meant more capital to invest for investment income which supports overall profitability.

## Contact us

Butterfield  
Asset Management  
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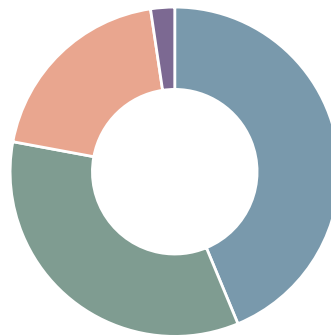
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Volatility at a sector and subsector level (primarily banks and financial services) is expected to continue as policy implementation approaches a tipping point on Capitol Hill. The insurance industry continuously evolves as the landscape of risk itself changes - as new methods are integrated into companies' decision making (i.e. technology, supply chain resilience, and climate change) insurance rates and coverages as well as value adapt in real time.

## Performance drivers

Portfolio performance was driven by a financial services company while banks and communication services holdings also contributed marginally to positive performance. Financials holdings continue to be our largest sector allocation of which the portfolio's largest positions remain Allshores, Butterfield, and Chubb.

## Asset allocation



International Equity	43.73%
Domestic Equity	34.18%
Income Securities	19.73%
Cash	2.36%

## Top 10 holdings

1	ALLSHORES LIMITED	14.35%
2	BANK OF NT BUTTERFIELD & SON	10.38%
3	CHUBB LTD	8.27%
4	ARCH CAPITAL GROUP LTD	6.75%
5	RENAISSANCE RE HLG	4.76%
6	AXIS CAPITAL HOLDINGS LTD	4.16%
7	MARKEL GROUP INC	3.89%
8	ASSURED GUARANTY LTD.	3.82%
9	GOVT OF BERMUDA 2.375 20/08/2030	3.54%
10	EVEREST GROUP LTD	2.68%

## Benchmark composition

Under review.