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NEWS RELEASE

For Immediate Release

Fortress Fund Managers encourages clients to keep investing as global markets react to COVID-19

Bridgetown, Barbados, April 1, 2020. Leading fund manager, Fortress Fund Managers is encouraging its clients to keep investing as global markets react to the COVID-19 pandemic, while making sure that they benefit when recovery inevitably comes.

In its second special update to clients in March, Peter Arender, Chief Investment Officer, Fortress Advisory & Investment Services advised, “The best thing to do, as always, is simply to stick with your long-term investment programme.”

In the update Mr. Arender noted that global share prices and corporate bonds continued to come under pressure in recent times as fears of the economic impact of forced liquidation of assets from the spread of the virus reached panic levels. “Since the beginning of 2020 the global stock markets have now fallen more than 30%, with some areas down more than 50%. Shares in Trinidad and Jamaica also dropped last week, in a delayed reaction that reflects the lack of liquidity in our regional markets.”

With regards to its own funds, Fortress reported that its Caribbean Growth Fund, which has a broadly diversified portfolio of regional and global shares, had declined 24% this year as of March 20th. “Its compound annual return since inception is now 7.2% per year, none of which was accomplished in a straight line,” Mr. Arender reminded.

Fortress buying global stocks and corporate bonds ‘on sale’

With regard to Fortress’ response to COVID-19, the chief investment officer noted that it was important to focus on the situation at hand and those things that could be controlled. “Day in and day out we continue to monitor markets using our disciplined process to ensure the portfolios are positioned in good, profitable companies trading at reasonable valuations. When quality securities are ‘on sale’ we get more interested in buying them. Over the past few weeks, this is exactly what we at Fortress have been doing. During this month we have gradually added to positions in global stocks and corporate bonds and are working on adding to holdings in the Caribbean, too, if prices become equally attractive. Most of all our job in times like this is to make sure that our clients benefit appropriately when the recovery inevitable comes.”

And in offering a silver lining Mr. Arender noted: “Viewed from the comfort of hindsight, panics often have similar outcomes. Episodes like this that, for varying reasons, have seen similar declines in global stock indices were inevitably followed by *substantial* positive returns in the ensuing years as life (and prices) returned to normal.”

Research by Fortress indicated that across a range of 10 past episodes with U.S. stock market declines of 30% or more, returns from the bottom of the episode averaged + 66% over the following three years, +

110% over five years and + 210% over 10 years. "Lower prices today drive higher returns in the future," Mr. Arender concluded.

Fortress manages more than \$700 million across 11 different funds with regional and global investments.

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About Fortress Fund Managers

In existence for over 20 years, Fortress Fund Managers has developed a reputation of being a trusted manager of mutual funds in Caribbean and global markets. Its slate of funds covers the asset classes of equities and fixed income, providing stellar performances over the years. Fortress is also a leading provider of pension management and administration services to companies of all sizes, and to individuals.