



## CHAIRMAN'S REPORT

Dear Valued Unitholders,

In the second quarter of 2020, Trinidad and Tobago and many countries around the world were able to slowly lift their COVID-19 restrictions and reopen their economies, leading to recoveries in both the local and global financial markets. The Calypso Macro Index Fund ("Calypso" or "the Fund"), by its very nature an index fund, mirrored these recoveries with Total Comprehensive Income of \$36 million for the three months ended 30 June 2020, compared to a Total Comprehensive Loss of \$121 million previously reported for the three months ended 31 March 2020. Despite improvement in the second quarter, the Fund incurred a Total Comprehensive Loss of \$85 million for the six months ended 30 June 2020 compared to Total Comprehensive Income of \$41 million for the six months ended 30 June 2019.

As explained in our first quarter's report, the Fund's performance was primarily a result of non-cash unfavourable fair value movements of \$89 million for the six months ended 30 June 2020 compared to fair value gains of \$33 million for the corresponding period in 2019. I remind investors that the Fund continues to make distributions based on the cash income it receives, as defined in its prospectus. The Fund paid a 15% increased distribution to shareholders of \$0.15 per unit for the quarter ended 30 June 2020, compared to \$0.13 for the quarter ended 30 June 2019.

The Fund continues to comprise high-quality investments, both locally and internationally. Consequently, we remain optimistic that short-term price volatility, even of the current extreme nature, will not diminish the long-term prospects of the underlying businesses and industries reflected in the portfolio holdings. Our optimism is also rooted in the way in which the Calypso Macro Index Fund (closed ended Fund) was created as a 10-year investment fund (expiring in 2025) and structured on the basis that the markets could withstand both positive and adverse cycles which are currently being experienced.

Professor Gerry C. Brooks  
Chairman

## STATEMENT OF FINANCIAL POSITION

As at 30 June, 2020  
Expressed in Trinidad and Tobago Dollars

	Unaudited 30-Jun-20 \$'000	Unaudited 30-Jun-19 \$'000	Audited 31-Dec-19 \$'000
<b>ASSETS</b>			
Cash and Cash Equivalents	13,970	15,256	15,372
Receivables	1,668	798	3,572
Investment Securities	411,850	495,473	500,478
<b>Total Assets</b>	<b>427,488</b>	<b>511,527</b>	<b>519,422</b>
<b>LIABILITIES</b>			
Payables	3,230	3,604	2,454
<b>Total Liabilities</b>	<b>3,230</b>	<b>3,604</b>	<b>2,454</b>
<b>EQUITY</b>			
Unitholders' Capital	500,755	500,755	500,755
Fair Value Reserve	4,248	5,708	20,834
Retained (Loss)/Income	(80,745)	1,460	(4,621)
<b>Total Equity</b>	<b>424,258</b>	<b>507,923</b>	<b>516,968</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>427,488</b>	<b>511,527</b>	<b>519,422</b>
<b>Net Asset Value per Unit</b>	<b>\$21.00</b>	<b>\$25.14</b>	<b>\$25.59</b>

Chairman

Executive Director

The accompanying notes form an integral part of these financial statements

## STATEMENT OF COMPREHENSIVE INCOME

For the six months ended 30 June, 2020  
Expressed in Trinidad and Tobago Dollars

	Unaudited Three months ended		Unaudited Six months ended		Audited Year ended
	30-Jun-20 \$'000	30-Jun-19 \$'000	30-Jun-20 \$'000	30-Jun-19 \$'000	31-Dec-19 \$'000
<b>INCOME</b>					
Dividend Income	2,672	5,999	6,757	10,150	23,507
Net Change in Fair Value of Investment Securities	25,650	(9,146)	(72,043)	18,456	8,335
Foreign Exchange Loss	(49)	(4)	(49)	(51)	(8)
<b>Total Income/(Loss)</b>	<b>28,273</b>	<b>(3,151)</b>	<b>(65,335)</b>	<b>28,555</b>	<b>31,834</b>
<b>EXPENSES</b>					
Management Charge	(523)	(637)	(1,090)	(1,276)	(2,472)
Other Expenses	(91)	(112)	(225)	(215)	(313)
Bank Charges	(2)	(1)	(4)	(3)	(6)
<b>Total Expenses</b>	<b>(616)</b>	<b>(750)</b>	<b>(1,319)</b>	<b>(1,494)</b>	<b>(2,791)</b>
<b>Net Income/(Loss) Before Taxation</b>	<b>27,657</b>	<b>(3,901)</b>	<b>(66,654)</b>	<b>27,061</b>	<b>29,043</b>
Withholding Taxes	(488)	(624)	(1,390)	(1,029)	(2,830)
<b>Net Income/(Loss) for the period</b>	<b>27,169</b>	<b>(4,525)</b>	<b>(68,044)</b>	<b>26,032</b>	<b>26,213</b>
<b>Other Comprehensive Income:</b> <i>Amounts that will not be transferred to Profit or Loss in the future:</i>					
Fair Value gains/(losses) arising during the period	9,134	(1,447)	(16,586)	15,000	30,126
<b>Other Comprehensive Income/(Loss) for the period</b>	<b>9,134</b>	<b>(1,447)</b>	<b>(16,586)</b>	<b>15,000</b>	<b>30,126</b>
<b>Total Comprehensive Income/(Loss) for the period</b>	<b>36,303</b>	<b>(5,972)</b>	<b>(84,630)</b>	<b>41,032</b>	<b>56,339</b>

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## STATEMENT OF CHANGES IN EQUITY

For the six months ended 30 June, 2020  
Expressed in Trinidad and Tobago Dollars

	Unitholders' Capital \$'000	Fair Value Reserve \$'000	Retained (Loss)/Income \$'000	Total \$'000
<b>Balance as at 1 January, 2020</b>	<b>500,755</b>	<b>20,834</b>	<b>(4,621)</b>	<b>516,968</b>
Net Loss for the period	-	-	(68,044)	(68,044)
Distribution to Unitholders	-	-	(8,080)	(8,080)
Other Comprehensive Loss for the period	-	(16,586)	-	(16,586)
<b>Balance as at 30 June, 2020 (Unaudited)</b>	<b>500,755</b>	<b>4,248</b>	<b>(80,745)</b>	<b>424,258</b>
<b>Balance as at 1 January, 2019</b>	<b>500,755</b>	<b>(9,292)</b>	<b>(17,906)</b>	<b>473,557</b>
Net Income for the period	-	-	26,032	26,032
Distribution to Unitholders	-	-	(6,666)	(6,666)
Other Comprehensive Income for the period	-	15,000	-	15,000
<b>Balance as at 30 June, 2019 (Unaudited)</b>	<b>500,755</b>	<b>5,708</b>	<b>1,460</b>	<b>507,923</b>
<b>Balance as at 1 January, 2019</b>	<b>500,755</b>	<b>(9,292)</b>	<b>(17,906)</b>	<b>473,557</b>
Net Income for the year	-	-	26,213	26,213
Distribution to Unitholders	-	-	(12,928)	(12,928)
Other Comprehensive Income for the year	-	30,126	-	30,126
<b>Balance as at 31 December, 2019 (Audited)</b>	<b>500,755</b>	<b>20,834</b>	<b>(4,621)</b>	<b>516,968</b>

The accompanying notes form an integral part of these financial statements


**STATEMENT OF CASH FLOWS**

 For the six months ended 30 June, 2020  
 Expressed in Trinidad and Tobago Dollars

	Unaudited 30-Jun-20 \$'000	Unaudited 30-Jun-19 \$'000	Audited 31-Dec-19 \$'000
<b>OPERATING ACTIVITIES</b>			
Net (Loss)/Income before Taxation	(66,654)	27,061	29,043
<i>Adjustments to reconcile net income to net cash and cash equivalents from operating activities:</i>			
Dividend Income	(6,757)	(10,150)	(23,507)
Net Change in Fair Value of Investment Securities	72,043	(18,456)	(8,335)
	<u>(1,368)</u>	<u>(1,545)</u>	<u>(2,799)</u>
<i>Movements in Net Current Assets</i>			
Increase in Receivables	(1,423)	-	-
(Decrease)/Increase in Payables	(46)	157	(605)
	<u>(1,469)</u>	<u>157</u>	<u>(605)</u>
Dividend Received	10,084	10,843	21,426
Taxation paid	(1,390)	(1,029)	(2,830)
	<u>8,694</u>	<u>9,814</u>	<u>18,596</u>
<b>Net Cash Flow From Operating Activities</b>	<u>5,857</u>	<u>8,426</u>	<u>15,192</u>
<b>FINANCING ACTIVITIES</b>			
Distribution paid to Unitholders	(7,259)	(6,060)	(12,710)
<b>Net Cash Used In Financing Activities</b>	<u>(7,259)</u>	<u>(6,060)</u>	<u>(12,710)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	<u>(1,402)</u>	<u>2,366</u>	<u>2,482</u>
Cash and Cash Equivalents at the beginning of the period	15,372	12,890	12,890
Cash and Cash Equivalents at the end of the period	<u>13,970</u>	<u>15,256</u>	<u>15,372</u>

*The accompanying notes form an integral part of these financial statements*
**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

 For the Six Months Ended 30 June, 2020  
 Expressed in Trinidad and Tobago Dollars

**3 Significant accounting policies**

The accounting policies, presentation and methods of computation applied in these Interim Financial Statements are consistent with those applied in the preparation of the Annual Financial Statements of the Fund for the year ended 31 December 2019.

**4 Related Party Transactions**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

The Calypso Macro Index Fund is managed by the Corporation which receives a fee of no more than 0.5% of the net asset value of the Fund at the end of each distribution period. Total management fees for the period amounted to \$1,090,096 (2019: \$1,275,098). The outstanding accrued management fees due to the Corporation at period-end amounted to \$173,947 (2019: \$975,317).

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

 For the Six Months Ended 30 June, 2020  
 Expressed in Trinidad and Tobago Dollars

**1 General Information**

The Calypso Macro Index Fund (the Fund) is a closed-end mutual fund denominated in Trinidad and Tobago Dollars, that was launched on 8 January 2016, and is scheduled to terminate on the Redemption Date of 30 November 2025 or such later date as may be prescribed by the Regulations of the Fund.

The Fund is governed by Regulations made for the Fund by the Board of Directors of the Trinidad and Tobago Unit Trust Corporation (the Corporation) with the approval of the Central Bank of Trinidad and Tobago under Section 14(1) of the Unit Trust Corporation Act (the Act). The termination or Redemption Date may be extended in accordance with the provisions of Clause 27.1 of the Regulations. The Custodians of the Fund is the Trinidad and Tobago Central Depository (TTCD).

The Corporation is the Sponsor, Manager, Trustee and Investment Advisor of the Fund. Responsibility for management of the business affairs of the Fund is vested in the Board of Directors of the Corporation which approves all the Fund's significant agreements. The Corporation's registered office is located at UTC Financial Centre, 82 Independence Square, Port of Spain.

Participation by investors in the Fund is represented by units, these units represent an undivided share in the Deposited Property. The Deposited Property means all the assets and investments of the Fund for the time being held or deemed to be held by the Trustee. No unitholder is entitled to any interest or share in any particular part of the Depository Property until such time as the Fund is terminated. The units of the Fund are traded on the Trinidad and Tobago Stock Exchange.

**2 Basis of preparation**

The interim financial statements for the six month period ended 30 June have been prepared in accordance with IAS 34 Interim Financial Reporting.

The Corporation and another Fund managed by the Corporation invested in the Calypso Macro Index Fund as at 30 June 2020. The value of the holdings is \$112,915,129.

Included in the distribution payable is an amount of \$1,092,727 payable to the Corporation and another Fund managed by the Corporation at the end of the reporting period.

As at 30 June 2020, there is a receivable from the Growth and Income Fund of \$1,422,771.

There were no other related party transactions for the period.

**5 Approval of Interim Financial Statements**

The interim financial statements were authorized for issue by the Board of Directors of the Trinidad and Tobago Unit Trust Corporation on 6 August 2020.