

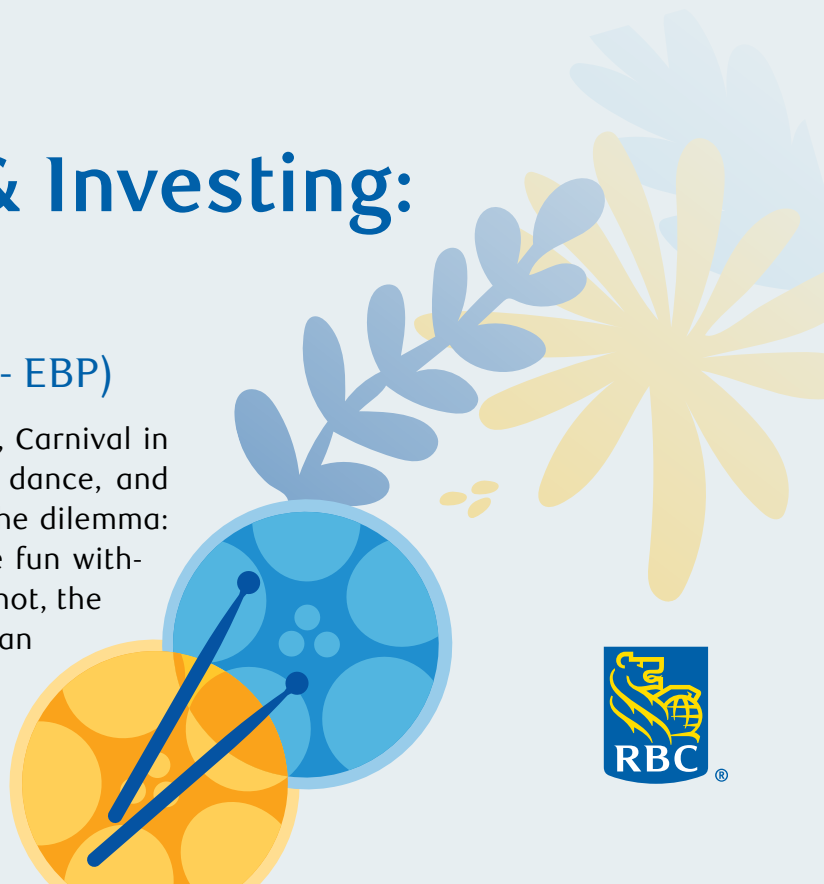
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Carnival Fete-ing & Investing: A Trini Guide

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As anyone who has ever experienced it knows, Carnival in Trinidad and Tobago is a whirlwind of music, dance, and pure vibes! As the excitement builds so does the dilemma: how to choose the right fetes to maximize the fun without causing a financial hangover! Believe it or not, the same logic you use to pick the perfect parties can also help you build a solid financial portfolio and choose the right mutual funds for you. Let's explore the connection!



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Diversification, the masquerader's strategy

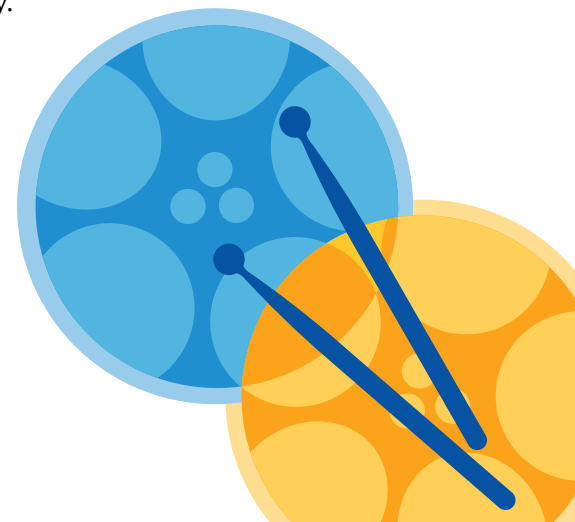
Just as a savvy masquerader might spread their Carnival experience across different fetes, a wise investor diversifies their portfolio. Attending a variety of fetes—from a pumping boat ride party to the elegant Dimanche Gras—exposes you to different experiences and minimizes the risk of a single event ending in disappointment. Similarly, diversifying your investments across different asset classes, such as stocks, bonds, and real estate, reduces your exposure to the fluctuations of any single investment or asset class. This “don't put all your eggs in one basket” approach is crucial for long-term financial success. Think of it as ensuring you have a great Carnival season, regardless of whether one highly hyped fete turns out to be “stoosh”.

Long-term vision, the Carnival Road March

Carnival isn't just about two days, it's a season. Similarly, investing isn't about short-term gains, it's about building long-term wealth. Just as you plan your Carnival schedule, you should also plan your financial future. Consider your long-term goals, such as retirement or buying a home, and choose properly diversified investments that align with those objectives. Like the anticipation leading up to Carnival Monday and Tuesday, the power of compounding over time can significantly enhance your investment returns. The key is to start early, stay consistent, and let your investments work for you. Much like the rhythm of your favourite groovy and power soca tunes grow on you throughout the Carnival season.

Fetes and mutual funds - a sweet soca connection

One might think of a fete promoter as a mutual fund manager. They organise all the elements for a great party – venue, security, drinks, entertainment – packaging it into one experience at an agreeable price; just imagine hiring a soca artiste on your own! Mutual fund managers do something similar with your money. They pool money from multiple investors, professionally manage it, and diversify across different assets, making investing more accessible, cost effective and (potentially) less risky.



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Finding Your Financial Vibe (Risk Tolerance):

Just as fetes cater to different vibes, mutual funds cater to different risk appetites. Let's match the fete to the risk profile and fund:

- **Dimanche Gras (Conservative):** A relaxed, sophisticated atmosphere, perfect for enjoying the artistry of Carnival. This is your conservative mutual fund equivalent – low risk, steady growth, ideal for those nearing retirement or with a lower risk tolerance. Think of it as a comfortable, predictable lime.
- **All-Inclusive (Moderate):** Premium drinks, gourmet food, top-tier entertainment, and a comfortable experience. This is like a balanced mutual fund – a mix of growth and income, offering a blend of growth potential and regular income. It's the best of both worlds.
- **J'Ouvert (Aggressive):** Paint, mud, powder, and non-stop “chipping” until sunrise! This is the aggressive mutual fund – higher risk, higher potential reward, best suited for younger investors with a longer time horizon and a higher risk tolerance. It's a high-energy, high-potential play.

Key Considerations: Fete vs. Fund:

Feature	Fete	Mutual Fund
Your Goal	Relaxation, excitement, socialising	Retirement, down payment, wealth building
Risk Tolerance	How much excitement or activity are you willing to accept?	How much market fluctuation can you handle?
Time Horizon	Length of fete?	How long are you investing?
Fees	Ticket price, drinks, outfit, costume costs	Expense ratios, management fees, etc.
Past Performance	Was it good last year? (No guarantee!)	Historical returns (Not a guarantee!)
Promoter/Manager	Who's running the show?	Who's managing the fund?
Style/Type	All-inclusive, J'Ouvert, boat party etc.	Equity, fixed income, balanced, etc.
Size	How many people will be there?	Assets under management



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Making smart investment choices

Choosing the right fete (or mutual fund) requires careful consideration. Here's your Carnival and investment checklist:

- **Know Yourself, before you Play Yourself:** What are your goals? What's your risk tolerance? How much time do you have?
- **Do Your Homework:** Conduct research, read reviews, compare mutual funds, and ask questions
- **Organise Your Crew:** Just like you wouldn't jump up in a band without your liming partners and designated driver, don't play mas with your investment future. Consider consulting a trusted financial advisor, who can accompany you on your journey - to help navigate any bacchanal and adjust based on your evolving needs and financial goals.

Wishing you a safe, fun-filled, and financially prosperous Carnival season!

Invest now

Book an appointment with an RBC Investment Specialist today!



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Contact us: 800-1RBC

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