PAMI ASIA BALANCED FUND, INC.
FUND FACT SHEET
As of August 30, 2024

FUND OVERVIEW

The Fund aims to achieve capital growth and generate steady income by tapping into the growth potential of Asia.

The fund is suitable for investors who:

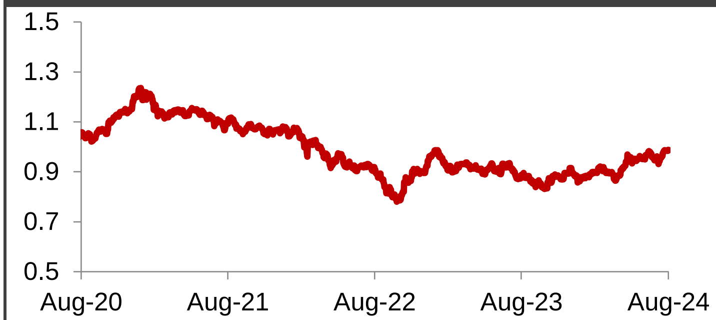
- Are at least classified as **moderate** based on their risk profile.
- Have an investment horizon of up **at least five (5) years.**

FUND FACTS

Classification:	Balanced Fund
Launch Date:	October 1, 2011
Dealing Day:	Daily up to 2:00 PM
Minimum Investment:[1]	USD 200.00
Min. Subsequent Order:[1]	USD 50.00
Minimum Holding Period:	180 calendar days
Redemption Settlement:	T+5 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee:[2]	2.05% per annum
Total Fund NAV (Mn) :	USD 5.43

FUND PERFORMANCE AND STATISTICS *(Purely for reference purposes and is not a guarantee of future results)*

NAVPS GRAPH



NAVPS 0.9876

CUMULATIVE PERFORMANCE (%) [3]

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. [4]
Fund	**4.27**	**10.12**	**11.33**	**-11.00**	**2.60**	**10.15**
Benchmark	3.35	8.40	10.86	-5.10	17.99	59.49

ANNUALIZED PERFORMANCE (%) [3]

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. [4]
Fund	**11.33**	**4.22**	**-3.81**	**-1.72**	**0.51**	**0.75**
Benchmark	10.86	6.42	-1.73	0.99	3.36	3.48

CALENDAR YEAR PERFORMANCE (%) [3]

	YTD	2023	2022	2021	2020	2019
Fund	**7.92**	**2.13**	**-16.21**	**-7.02**	**11.33**	**12.25**
Benchmark	6.62	5.65	-12.92	-4.37	16.41	15.22

BENCHMARK

50% Markit IBOXX Asian Local Bond Index (ALBI) + 50% MSCI AC Pacific ex Japan

STATISTICS

Portfolio Beta	0.94
Volatility, Past 1 Year (%) [5]	11.83
Sharpe Ratio [6]	0.50
Information Ratio [7]	-0.05
Number of Holdings	204

PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.76
Fixed Income	44.59
Cash, Cash Equivalents – net of liabilities [8]	4.65

TOP HOLDINGS

Name	Maturity	%
Taiwan Semiconductor		5.59
Fixed Rate Treasury Bond	2029	3.39
Korea Treasury Bond	2032	3.32
Indonesia Treasury Bond	2036	2.81
Tencent Holdings Ltd.		2.70

[1] Contribution rounded down/redemption rounded off to the nearest whole share. Mutual Fund shares do not issue fractional shares.

[2] Management, Distribution & Transfer Agency Fees

[3] Returns are net of fees.

[4] Since Inception.

[5] Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

[6] Used to characterize how well the return of a Fund compensates the investor for the level of risk taken.

[7] Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

[8] Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities

Fund prospectus is available upon request through BPI Investments, Inc. (BII), authorized distributors and sales agents.

- **THE MUTUAL FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPS IS FOR ILLUSTRATION OF NAVPS MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**
- **THE FUND MANAGER IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

For more information, you can contact us at **(02) 8580-0900**, email us at **bpi_investment@bpi.com.ph** or visit our website, **www.pamifunds.com**

OUTLOOK AND STRATEGY

Market Review. In August, global equity indices ended higher, bond yields lower, the US Dollar weaker, gold prices higher, and the VIX remained almost unchanged. At the beginning of the month, markets experienced significant volatility, with the Japanese TOPIX losing around 12% on August 5th, and the VIX briefly reaching levels not seen since COVID-19. Following what was perceived as a hawkish rate hike by the Bank of Japan and somewhat disappointing US labor market data, investors reassessed the likelihood of a potential recession in the US and unwound yen carry trades, leading to a sharp sell-off. However, markets stabilized quickly, and by the end of the week on Friday, August 9th, the S&P 500 had recovered all its losses. In the second half of the month, more positive US economic data and a dovish message from Fed Chair Powell increased expectations for a rate cut in September, helping both equities and bonds deliver positive performance.

Looking in more detail at the equity side, the MSCI World Equity Index returned +2.6% in USD terms. The S&P 500 rose +2.4% and continued to outperform, thanks to a broadening of earnings growth outside of the technology sector and a dovish message from Fed Chair Powell. European markets underperformed relative to the US, as the overall economic backdrop remained weak, and earnings from the cyclical sector disappointed. The MSCI Europe rose +1.3%, while the Euro Stoxx 50 gained +1.8%. The UK's FTSE 100 rose +0.9%, while Japan's TOPIX (-2.9%) was among the worst monthly performers, given that much of the turmoil had centered on Japan. Nevertheless, the general trend for risk assets was positive in the second half of the month, including emerging markets, where the MSCI EM Index was up +1.6%.

As mentioned, rate cuts and signs of slowing economic activity allowed bond yields to fall, resulting in positive returns for bond indices. US 2-year yields dropped from +4.26% to +3.92%, while US 10-year yields fell 13bps to +3.90%. European movements were less pronounced, with the 10-year German yield close to the levels at the end of July at 2.30%, and 2-year German yields dropping 14bps to +2.39%. Overall, the US Treasury index gained +1.3% during August, while the Euro Government Bond index and UK Gilts appreciated by +0.4%. Japanese government bond yields fell, with 10-year JGB yields moving from 1.06% to +0.90%. EM bond returns outperformed, appreciating by +2.7% in August.

On the credit side, there was a tightening of credit spreads. The Itraxx Main credit index saw spreads tighten from +55bps to +53bps, while the Itraxx Crossover tightened from +295bps to +288bps. Overall, the Bloomberg Euro Agg Corporate Index gained +0.3%, while the Bloomberg US Agg Corporate Index rose +1.6%.

Turning to currencies, the US Dollar continued to weaken, with the Dollar Index depreciating -2.3%, driven by expectations that the Federal Reserve will cut rates in September. During the month, the greenback weakened against major currencies: -2.0% against the Euro, -2.5% against the Japanese Yen, -2.1% against the British Pound, -2.3% against the Canadian Dollar, and -3.3% against the Australian Dollar. Notably, in August, the Japanese Yen appreciated +2.6% against the US Dollar and +0.6% against the Euro. EM currencies outperformed slightly, with the JP Morgan Emerging Markets Currency Index appreciating +0.2% in August.

Fund Performance. The Fund returned 4.27% for the month, outperforming its benchmark by 92 basis points. The fund's performance was driven by movements in the bond market and improved sentiment around rate cuts, alongside contributions from select equities. Year-to-Date return amounted to 7.92% for the month, outperforming its benchmark by 130 basis points.

Fund Strategy. The economic cycle has proven to be in much better shape than previously expected; however, there are now increasing signs of growth deceleration, suggesting that risk reduction is the prudent option. The economic backdrop calls for light risk exposure, although sentiment remains supportive. The "late cycle" phase continues to be our central case.

In the US, we see growth falling back to trend as domestic demand rebalances, and the disinflationary trend continues with encouraging signs. In the Eurozone, we are experiencing a multi-speed recovery, and disinflation progress is ongoing—though there are slight concerns about persistently high core services inflation. Falling inflation will allow central banks to continue or initiate their cycle of cuts at different speeds. Against this backdrop, we are upgrading government bonds (Govies) and maintaining our long-duration stance in both the US and Europe. For yield enhancement, selectively attractive options include high-quality corporate credit in DM and EM. Political risk remains relevant, and with an increasing number of countries involved in geopolitical hotspots, uncertainty is likely to rise. This highlights the need for hedging; however, overall, there is a general willingness to add to risky assets in the event of any pullback.