

**FUND OVERVIEW**

The Fund aims to achieve long-term capital appreciation by investing in a diversified portfolio of equities and fixed income instruments.

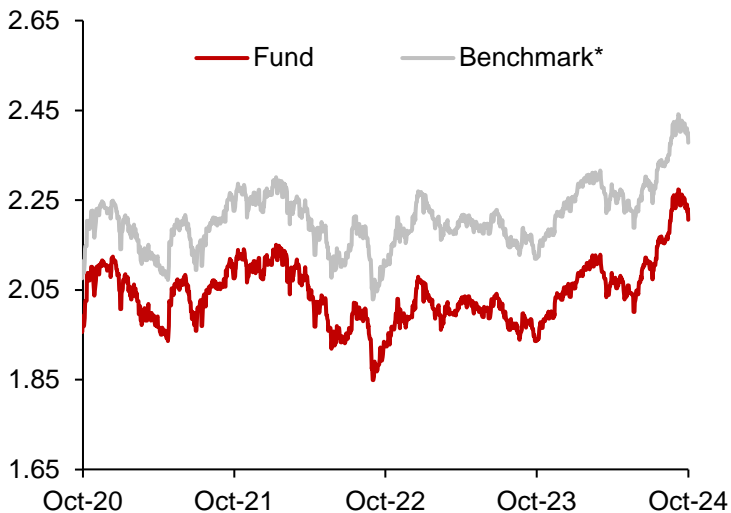
The fund is suitable for investors who:

- are at least classified as **aggressive** based on their risk profile.
- have an investment horizon of up **at least five (5) years.**

**FUND FACTS**

<b>Classification:</b>	Balanced Fund
<b>Launch Date:</b>	July 30, 2009
<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Minimum Investment:<sup>1</sup></b>	PHP 5,000.00
<b>Min. Subsequent Order:<sup>1</sup></b>	PHP 1,000.00
<b>Minimum Holding Period:</b>	180 calendar days
<b>Redemption Settlement:</b>	T+2 End-of-Day
<b>Early Redemption Charge:</b>	1.00%
<b>Total Management Fee:<sup>2</sup></b>	2.00% per annum
<b>Total Fund NAV (Mn) :</b>	PHP 127.18

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



NAVPS 2.2062

**STATISTICS**

Portfolio Beta	1.02
Volatility, Past 1 Year (%) <sup>5</sup>	11.91
Sharpe Ratio <sup>6</sup>	0.78
Information Ratio <sup>7</sup>	0.17
Number of Holdings	36

**PORTFOLIO COMPOSITION**

Allocation	% of Fund
Equities	52.32
Government	32.15
Corporates	12.50
Cash, Cash Equivalents <sup>8</sup>	3.03

**Sector Holdings (Equity Portion)**

Financials	12.88
Holding Firms	12.74
Services	10.81
Property	9.10
Industrials	6.79
Mining and Oil	0.00

**CUMULATIVE PERFORMANCE (%) <sup>3</sup>**

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>-1.14</b>	<b>6.27</b>	<b>13.83</b>	<b>6.27</b>	<b>2.30</b>	<b>114.19</b>
Benchmark	-0.70	4.56	12.07	6.80	3.70	100.68

**ANNUALIZED PERFORMANCE (%) <sup>3</sup>**

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>13.83</b>	<b>7.08</b>	<b>2.05</b>	<b>2.88</b>	<b>0.46</b>	<b>5.12</b>
Benchmark	12.07	6.32	2.22	3.30	0.73	4.67

**CALENDAR YEAR PERFORMANCE(%) <sup>3</sup>**

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>8.79</b>	<b>1.91</b>	<b>-4.85</b>	<b>-0.13</b>	<b>-1.49</b>	<b>2.58</b>
Benchmark	7.44	1.49	-2.67	0.79	-2.29	4.38

**BENCHMARK\***

50% Philippine Stock Exchange Index (PSEi) and 50% return of the 91-day Philippine Treasury Bill.

**TOP HOLDINGS**

Name	Maturity	%
Retail Treasury Bond	02/28/2029	15.95
SM Investments Corporation		7.03
Int'l Container Terminal Services, Inc.		5.84
BDO Unibank, Inc.		5.11
Bank of the Philippine Islands		4.79

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

<sup>2</sup>Management, Distribution & Transfer Agency Fees

<sup>3</sup>Returns are net of fees.

<sup>4</sup>Since Inception.

<sup>5</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>6</sup>Used to characterize how well the return of a Fund compensates the investor for the level of risk taken.

<sup>7</sup>Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

<sup>8</sup>Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities

Fund prospectus is available upon request through 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.

## OUTLOOK AND STRATEGY

**Market Review.** The Philippine Stock Exchange Index (PSEi) cooled in October following three consecutive months of strong performances. At the beginning of the month, the local bourse continued its ascent to north of 7,500 mark backed by the release of lower-than-expected local inflation print in September at 1.9%. Consequently, the Bangko Sentral ng Pilipinas (BSP) reduced policy rates by 25 basis points to 6.0% for the second time in 2024. However, the PSEi failed to overcome the 7,500 to 7,600 resistance level as profit-taking took place. This coincided with weakness on the Philippine Peso which closed to 58.10 or -3.69% month-on-month. Moreover, risk-off stance was adopted by market players as they awaited the result of the US election. The PSEi gave up 1.78% month-on-month to 7,142.96.

The market turnover slowed to Php5 billion or -24% month-on-month in October. Meanwhile, foreigners continued to be net buyers at US\$22 million, which marked the 4th consecutive month of net foreign buying. Top foreign bought stocks were AC (+US\$24.5 million), BPI (+US\$15 million) and GLO (+US\$10.0 million). In terms of participation level, it was an even split between foreigners and locals at 50%.

On a per stock basis, the top three index gainers for the month include: MER (+11.82%), CNPF (+10.38%) and MONDE (+7.07%). Meanwhile, the bottom three performers include: JGS (-12.59%), WLCON (-12.02%) and ALI (-10.66%). Market breadth was skewed to the negative territory with 23 declines versus 7 advances.

The Bureau of the Treasury (BTr) held four Treasury Bill auctions in October, all of which were fully awarded. The final Treasury bill auction concluded with average yields of 5.586%, 5.752%, and 5.751% for the 91-day, 182-day, and 364-day bills, respectively. Additionally, the BSP held four BSP Bill auctions in August, all of which were fully awarded as well. The last BSP bill auction saw average yields of 6.2979% and 6.2988% for the 28-day and 56-day bills, respectively.

On the domestic front, inflation continued its downward trend as it decelerated to 1.9% in September from 3.3% in August, much lower than economists' median estimate of 2.5%. The lower-than-expected inflation was driven by slower food price increases and a decline in transportation costs. Consequently, the Bangko Sentral ng Pilipinas cut rates by 25 basis points during its policy meeting in October, citing easing price pressures. The BSP will continue to vigilantly monitor economic data releases in determining its policy actions moving forward.

Internationally, US inflation decelerated from 2.5% in August to 2.4% in September, in line with market estimates. However, despite evidence of easing inflation, US Treasuries were extremely volatile for the month as investors anticipated the upcoming US elections in early November.

**Fund Performance.** The Fund returned -1.14% for the month, underperforming its benchmark by 44 basis points. Year-to-date, return amounted to 8.79%, outperforming its benchmark by 135 basis points.

**Fund Strategy.** The Fund will be defensive as uncertainties from post-US Election results, and volatility from geo-political risks coupled with thin market liquidity remain. The Fund's preference is still for companies with leading market capitalization and good fundamentals as well as dividend paying stocks.