

PESO EQUITY FUND

INVESTMENT OBJECTIVE

The Peso Equity Fund seeks to maximize income consistent with its policy to preserve capital and to maintain liquidity of investments through a diversified portfolio of high-quality listed equity issues – blue chips and growth stocks listed in the Philippines Stock Exchange.

KEY FIGURES

NAVPU as of February 29, 2024	1.6743
Inception Date	December 2006
Fund Classification	Equity Fund
Domicile	Republic of the Philippines
Fund Currency	Philippine Peso

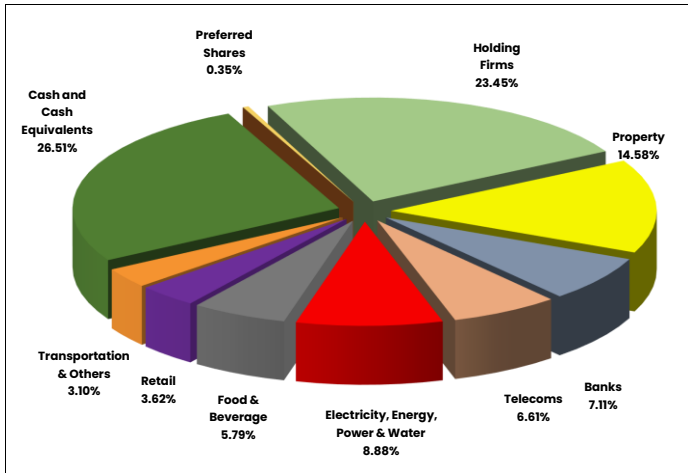
MARKET RECAP AND OUTLOOK

The Philippine Stock Exchange index (PSEI) has a rosy ascent during the month to nearly pierce the 7,000 resistance. The local bourse closed at 6,944.71 last February 29, inching up by 4.49% from its previous month's finish of 6,646. Year-to-date, the bellwether was up by 7.67% from end-2023 close of 6,450. February was a strong month for most investors as prospects of resilience from local macrofundamentals and corporate results shed some optimism towards the market. Accordingly, foreign flows recorded P7.21 billion net buying, pushing the 2-month tally to P11.67 billion net inflows.

The month kicked off strongly following the release of the January inflation print, which was warmly welcomed by the market. The latest data grew by 2.8% January, hovering within the government target of 2.0% to 4.0% and providing the Bangko Sentral ng Pilipinas (BSP) leeway to maneuver its interest rates soon. Moreover, the Philippine jobless rate dropped to 3.1% in December, bringing the full-year figure to 4.3%, earmarking the new record low levels. Overseas, the US economy, through stronger-than-expected fourth-quarter earnings results, provided investors with more confidence of an upcoming revving healthy economy. Specks of moderate gloom were seen thereafter after investors took profits ahead of the Morgan Stanley Capital International (MSCI) rebalancing results, which resulted a moderate pullback to the budding rally of the local index. The US Federal Reserve has also downplayed rate cut hopes in March after its first meeting for the year despite the inflation data cooling off in the recent month. After a healthy correction, the local index continued the rally breaching the 6,900 mark with brewing optimism levied on the favorable economic outturns. With January inflation falling to 2.8% reaching the lowest after pandemic, creating expectations in the market that BSP may start cutting rates as some analyst even suggest that it may occur before the first semester of the year ends. Local stocks extended the rally after the Bangko Sentral ng Pilipinas (BSP) decided to maintain its key policy rates unchanged during its February Monetary Board meeting. Investors cheered on the policymaking committee retained rates at 6.50%. The strong corporate results and foreign buying supported the market's ascent, joining most of its regional peers and settling with five weeks of continued gaining streak.

The PSEI may continue to consolidate between the 6,600 and 7,100 level amidst local and foreign investors heed caution while monitoring new market catalysts. With the preliminary earnings results showing robust corporate growth, the index may even retest pierce the 7,100 resistance if more companies grow in-line or even above expectations. However, external headwinds may still cloud the market façade with skepticism especially with the mounting worries over the Red Sea and more countries falling into recession with the likes of Germany and Japan.

PORTFOLIO COMPOSITION



TOP 10 EQUITY HOLDINGS

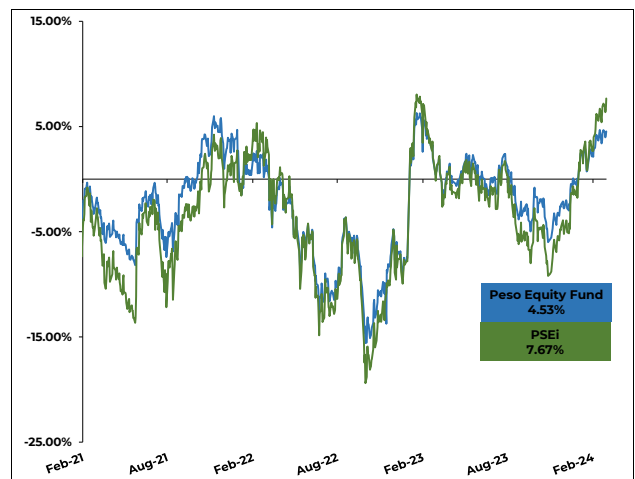
Company	Sector	% of the Fund
SM Investments Corporation	Holding Firms	8.35%
SM Prime Holdings, Inc.	Property	6.99%
Universal Robina Corp.	Food and Beverage	4.56%
Ayala Corporation	Holding Firms	4.51%
Ayala Land, Inc.	Property	3.92%
Aboitiz Equity Ventures, Inc.	Holding Firms	3.13%
JC Summit Holdings, Inc.	Holding Firms	3.01%
PLDT, Inc.	Telecommunications	3.00%
Globe Telecom, Inc.	Telecommunications	2.90%
Aboitiz Power Corp.	Electricity, Energy, Power & Water	2.64%

HISTORICAL PERFORMANCE

February 29, 2024

NAVPU	Year-to-date Return
1.6743	4.53%

	Annual Return	Cumulative Return
One-year	3.40%	3.40%
Three-year	0.56%	1.68%
Five-year	-1.65%	-7.98%



DISCLAIMER: Historical performance is not indicative of future results. The price per unit may go up or down depending on market fluctuations. The Fund is NOT a deposit product, and, as such, yields are NOT guaranteed. The performance of the fund is reflected by the Net Asset Value (NAV) computed at the end of each business day.