

## 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 March 31, 2025**

**1.4939**

**Inception Date**

December 2006

**Fund Classification**

Equity Fund

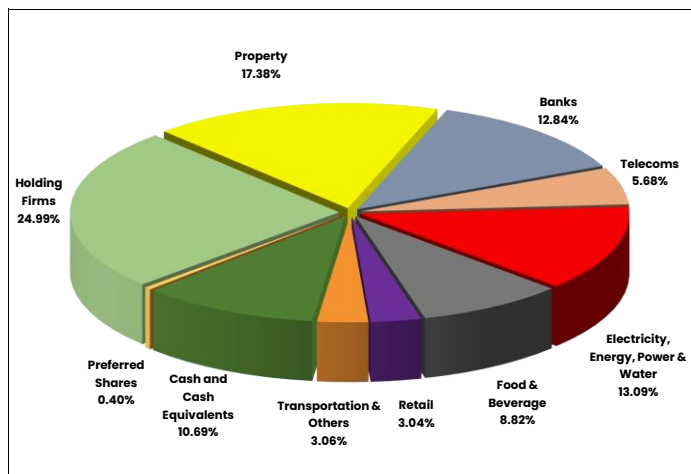
**Domicile**

Republic of the Philippines

**Fund Currency**

Philippine Peso

### PORTFOLIO COMPOSITION



### TOP 10 EQUITY HOLDINGS

Company	Sector	% of the Fund
Ayala Corporation	HOLDING FIRM	7.09%
SM Investments Corporation	HOLDING FIRM	6.97%
SM Prime Holdings, Inc.	PROPERTY	6.87%
BDO Unibank Inc.	BANK	6.19%
Aboitiz Equity Ventures, Inc.	HOLDING FIRM	3.99%
Ayala Land, Inc.	PROPERTY	3.37%
Metropolitan Bank and Trust Company	BANK	3.32%
GT Capital Holdings, Inc.	HOLDING FIRM	3.30%
Aboitiz Power Corporation	ELECTRICITY, ENERGY, POWER, WATER	3.29%
Jollibee Foods Corporation	FOOD, BEVERAGE & TOBACCO	3.08%

### HISTORICAL PERFORMANCE

March 31, 2025

NAVPU	Year-to-date Return
1.4939	-4.61%

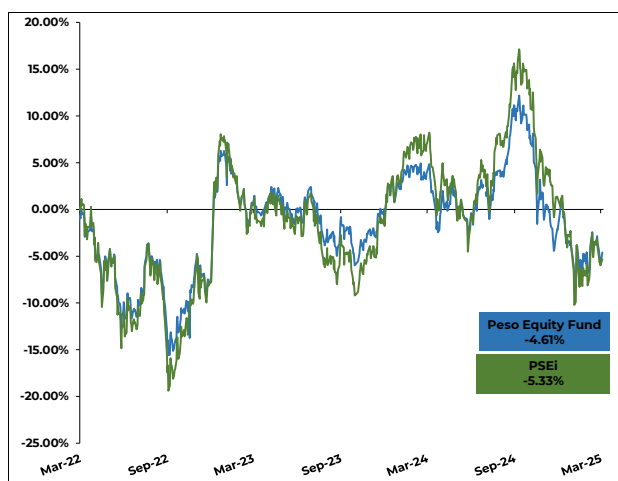
	Annual Return	Cumulative Return
One-year	-10.29%	-10.29%
Three-year	-5.05%	-14.40%
Five-year	0.72%	3.65%

### MARKET RECAP AND OUTLOOK

The Philippine Stock Exchange index (PSEI) climbed to 6,180.72 last March 31, at 3.05% higher than the previous month's close of 5,997.97. However, the benchmark index was at 5.33% lower than end-2024 close of 6,528.79 as the US tariff policies remained as the major concern among market players. Even so, local inflation continued to stagnate even further as it dropped to 1.8% in March as cheaper crude oil prices resulted in lower transportation costs and cheaper food prices. This brings the national average inflation rate from January to March 2025 to 2.2%, well within the 2.0% -4.0% desired level. Meanwhile, the fourth quarter gross domestic product (GDP) expanded slightly faster than initially reported. As a result, the full-year 2024 GDP growth rate was also revised upward to 5.7% from 5.6%. Accordingly, foreign flows settled with slight strength, posting P2.84 billion net buying. Consequently, the first quarter summed to a net outflow of P12.23 billion.

Through the month, the local bourse has seen better performance compared to the preceding month, playing within the 6,100 – 6,300 zone. The 2.1% February inflation caused by the slower price increases of food, electricity and transportation costs served as a good start for traders. Despite being in caution and awaiting for further cues on tariff policies from the White House, the recent local CPI data solidified the case for a continued monetary easing by the Bangko Sentral ng Pilipinas (BSP) despite some analyst expecting that the central bank may hit the pause button again on its next Monetary Board meeting in April given the lack of substantial information on the magnitude of the US trade policies in the economy. In the following weeks, uncertainties in the global market along with recessionary fears continue to cloud the sentiment in the local equity. Despite US inflation clocking in better in February at 2.8%, worries that consumer prices may spike due to US President Donald Trump's trade policies continued to disturb traders until the magnitude of the tariffs are somehow realized. While the US Federal Reserve expects two cuts this year, forecasting remains difficult as tariffs could have lasting inflationary effects. Even as inflation eases, heightened awareness may prolong price increases, and tariffs continue to hurt real GDP by disrupting trade. However, skepticism among market players is mitigated as other data shows signs of stability. The peso remained tamed for consecutive months posting lower exchange rates to US dollars from hitting close to P60/dollar rates particularly in the latter part of 2024. In addition to this, the oil market continued to post a decline in prices which implies optimistic local consumer prices. Despite BSP's decision to keep interest rates at 5.75% last February meeting, the recent implementation of the central bank to cut down reserve ratio requirement (RRR) took effect on March 28 and is expected to inject around P300 billion into the circulation.

The local index may likely to trade sideways within the 5,600 – 6,300 zone in month of April as traders anticipates a higher chance that the central bank will conclude the upcoming April Monetary Board Meeting to a rate cut given that recent inflation figures give enough leverage for an easing. The release of the hefty tariff schedule from the White House gives the impression among analysts that retaliatory tariffs from other countries on imports from the US may also be imposed putting risk for the global economy, impelling recession fears.



**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.