

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 May 29, 2026	1.4611
Inception Date	December 2006
Fund Classification	Equity Fund
Domicile	Republic of the Philippines
Fund Currency	Philippine Peso

MARKET RECAP AND OUTLOOK

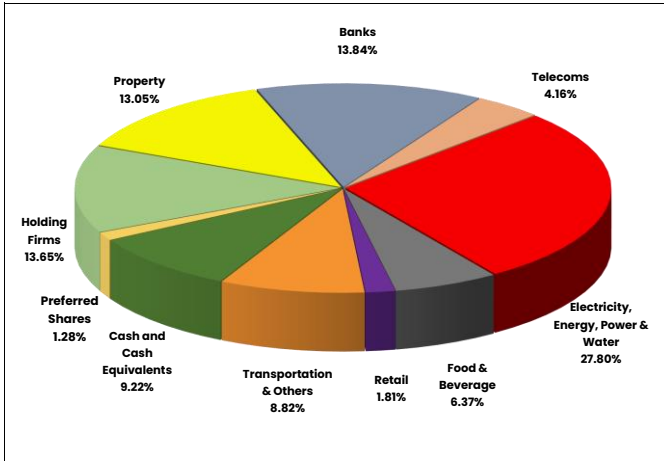
The Philippine Stock Exchange index (PSEi) continued to navigate a highly volatile and challenging investment landscape, closing the fifth month of the year at the 5,768.76 level, further deepening its year-to-date losses by 4.69% relative to the end-2025 level. The index experienced a turbulent, choppy performance throughout May 2026, characterized by a persistent struggle to breach and hold the crucial 6,000 psychological resistance level. While the market staged intermittent, modest weekly recoveries early on driven by selective buying, heavy selling pressure in the final week ultimately dragged the benchmark down, erasing earlier progress as investors struggled to find sustainable catalysts for growth.

On the local front, market sentiment was tempered by domestic macroeconomic pressures and a mixed corporate earnings season. Investors continued to navigate the fallout of elevated inflation risks and weaker-than-expected GDP growth data, which failed to provide a strong upward driver for the index. This cautious environment was further exacerbated by a Philippine peso that languished near historic lows against the US dollar. Consequently, foreign capital flows remained highly erratic, alternating between net buying and selling before culminating in broad-based profit-taking as market participants opted for capital preservation by month-end.

Globally, the market remained hyper-sensitive to the shifting geopolitical dynamics in the Middle East. While early-week optimism over potential progress in US-Iran talks occasionally sparked brief waves of bargain hunting by temporarily cooling energy markets, these gains were swiftly reversed. Renewed uncertainties surrounding the conflict pushed global oil prices back up, reigniting fears of prolonged inflation and its restrictive drag on global economic growth. This compounding uncertainty fueled a broad-based "risk-off" sentiment, driving sustained foreign capital outflows and forcing market participants into a defensive stance by the end of the month.

Looking ahead to June 2026, the outlook for the PSEi remains highly defensive as the index enters the new month under heavy pressure, expected to trade within a 5,600 to 6,200 range having recently capitulated below its 5,800 support level. Market participants are expected to maintain a cautious stance, with immediate direction heavily dependent on upcoming May inflation data and its subsequent impact on the BSP's monetary policy trajectory. This domestic economic uncertainty is further compounded by a slowing corporate earnings season and a lingering "risk-off" sentiment driven by unpredictable geopolitical swings in the Middle East.

PORTFOLIO COMPOSITION



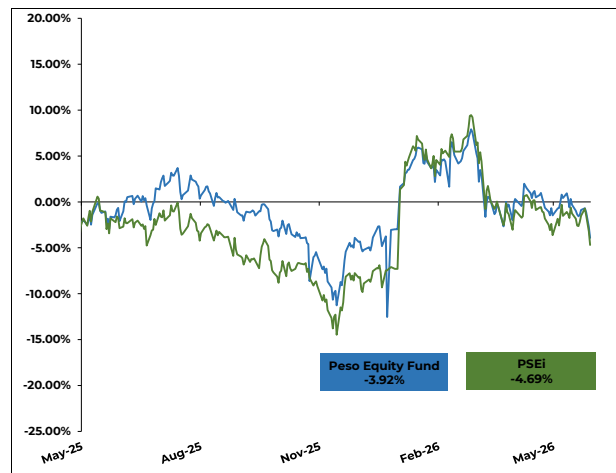
TOP 10 EQUITY HOLDINGS

Company	Sector	% of the Fund
International Container Terminal Services, Inc.	TRANSPORTATION	7.39%
Manila Electric Company	ELECTRICITY, ENERGY, POWER, WATER	6.75%
SM Investment Corp	HOLDING FIRM	6.07%
SM Prime Holdings, Inc.	PROPERTY	6.00%
Aboitiz Power Corp	ELECTRICITY, ENERGY, POWER, WATER	5.45%
BDO Unibank Inc.	BANKS	5.35%
Maynilad Water Services Inc.	ELECTRICITY, ENERGY, POWER, WATER	5.21%
Manila Water Company, Inc.	ELECTRICITY, ENERGY, POWER, WATER	4.82%
Bank of the Philippine Islands	BANKS	3.90%
Metropolitan Bank and Trust Company	BANKS	3.68%

HISTORICAL PERFORMANCE
May 29, 2026

NAVPU	Year-to-date Return
1.4611	-3.92%

	Annual Return	Cumulative Return
One-year	-5.89%	-5.89%
Three-year	-3.38%	-9.81%
Five-year	-1.49%	-7.21%



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.