



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2021-10
21-Mar-05

Net Asset Value: Php356,659,755.00
Asset category: 95% Equities; 5% Cash
Horizon: Long-term

Portfolio Returns	21-Mar-05	21-Feb-26
YTD	-4.46%	-5.10%
Rolling 1 Year	-0.81%	-2.37%
Rolling 2-Year	-8.36%	-10.46%

Benchmark Returns	21-Mar-05	21-Feb-26
YTD	-2.90%	-4.27%
Rolling 1-Year	5.88%	3.88%
Rolling 2-Year	-1.66%	-4.16%

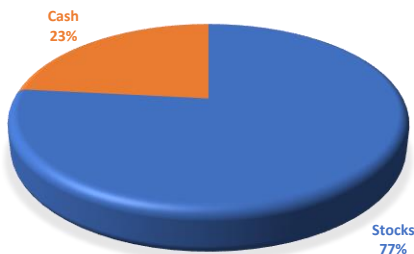
PSEi	21-Mar-05	21-Feb-26
YTD	-3.62%	-4.83%
Rolling 1 Year	0.21%	-1.66%
Rolling 2-Year	-5.31%	-7.77%

A Word on the Market

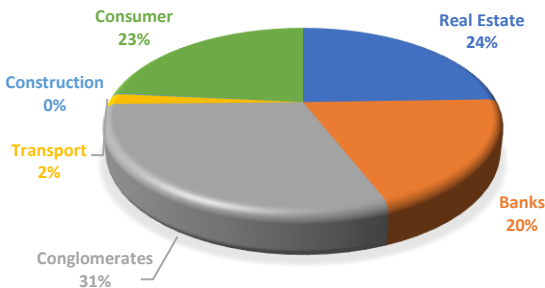
The BSP expects February inflation to settle within the range of 4.3% - 5.1%. According to BSP governor Benjamin Diokno stated that inflation could breach by 4% until the third quarter of 2021. The upward price pressures for the month originate from the continued uptick in global crude oil prices and elevated fish prices.

The banking sector lending decreased for two consecutive months in January, contracting by 2.4% year-on-year to 9 Trillion Pesos. This followed the 0.7% year-on-year decline in December, which was the first contraction since September 2006 when lending dropped by 1.9%. The BSP attributed the soft credit activity to weak demand as banks continued to be risk-averse on concerns over asset quality and profitability. Meanwhile, the S&P Global Rating sees bank lending to resume growth this year after slumping for the first time in 14 years in 2020 due to uncertainties brought by the COVID-19 pandemic.

PORTFOLIO WEIGHTS BY ASSET CLASS



PORTFOLIO WEIGHTS BY SECTOR



A Word on the Portfolio

Last week, the PSE index increased by 1.27% and close at 6,881.37 as the beginning of vaccinations for COVID-19 and supportive monetary and fiscal policies lifted investor sentiment, clearing off the two-year high inflation result of 4.7% in February.

This week, The PSE index remains to stay above the 200-day moving average, while the right shoulder of the head and shoulder pattern continues to develop and is expected to hit the 6.500 level. Investors continue to be risk-averse over the surge of more than 3,000 new infection cases, one of the highest daily reports in the past four months, and the increased number of COVID-19 patients being admitted to hospitals as reported by the Department of Health (DOH).