



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2021-18
21-May-10

Net Asset Value: Php 332,627,237.29

Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	21-May-07	21-Apr-30
YTD	-11.29%	-10.27%
Rolling 1 Year	9.82%	14.77%
Rolling 3-Year	-7.72%	-7.67%

Benchmark Returns	21-May-07	21-Apr-30
YTD	-8.77%	-9.09%
Rolling 1-Year	12.22%	15.94%
Rolling 3-Year	0.77%	0.38%

PSEi	21-May-07	21-Apr-30
YTD	-12.34%	-10.77%
Rolling 1 Year	10.35%	16.89%
Rolling 3-Year	-6.05%	-5.78%

A Word on the Market

Lockdown pushes the Philippines' April Purchasing Manager's Index - PMI into contraction, as renewed lockdown restrictions in Metro Manila and nearby provinces hampered manufacturers' operations and dampened demand. The IHS Markit reported that the Philippine PMI fell to 49 in April from 52.2 last March. In addition, the latest data showed a setback for the Philippine economy, with operating conditions falling back into contraction territory after only one full quarter of growth.

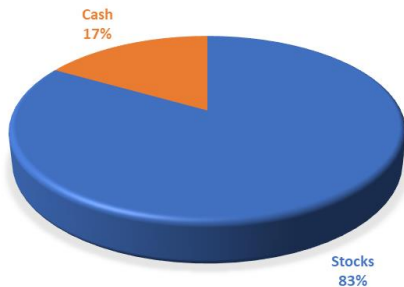
Meanwhile, The Philippines' headline inflation was 4.5% in April, the same as the inflation rate last March. The inflation report was flat, led by the slower increase in prices of food and non-alcoholic beverages. The price of food and non-alcoholic beverages increased by 4.8% in April after increasing by 5.8% in March. On a month-on-month basis, prices of food and non-alcoholic beverages fell by 0.2% in April, the second straight month of decline.

A Word on the Portfolio

Last week, the PSE index dropped by 1.76% and close at 6,258.71. Despite better-than-expected corporate earnings released last week and lowering numbers in daily COVID-19 cases, investors sustained its sell-off ahead of the country's 1Q21 GDP with an estimate of -3.5% announcement this week. Lower-than-expected GDP figures are expected to reinforce fears of prolonged recovery amid delays in the vaccine rollout and the reimposition of more stringent quarantine measures.

This week, we expect the market might continue to drop near the 6,200 level as investor sentiment remain uneasy as the market remains cautious of risks amid the expected final week of MECQ in NCR and nearby provinces.

PORTFOLIO WEIGHTS BY ASSET CLASS



PORTFOLIO WEIGHTS BY SECTOR

