



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2021-43
21-Nov-8

Net Asset Value: Php 349,687,870.42
Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	21-Nov-5	21-Oct-29
YTD	-5.90%	-6.72%
Rolling 1 Year	6.47%	8.27%
Rolling 3-Year	-4.63%	-4.77%

Benchmark Returns	21-Nov-5	21-Oct-29
YTD	14.56%	13.00%
Rolling 1-Year	29.33%	31.83%
Rolling 3-Year	7.18%	7.37%

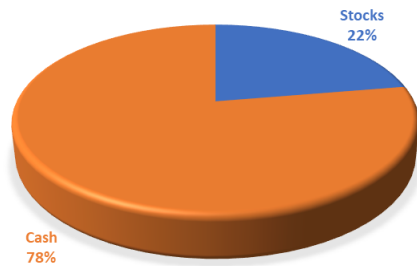
PSEi	21-Nov-5	21-Oct-29
YTD	2.82%	2.10%
Rolling 1 Year	15.87%	19.25%
Rolling 3-Year	0.58%	0.64%

A Word on the Market

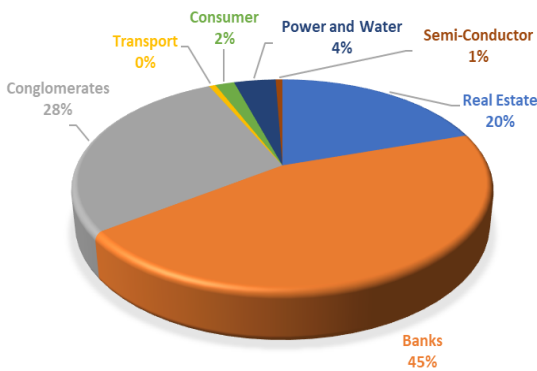
The government announced that Metro Manila will be placed under more relaxed alert level 2 starting November 5 to 21. This means fewer quarantine restrictions more businesses permitted to resume operations. Businesses like bars, karaoke places, clubs, concert halls and theaters, and other venues with live voice or wind-instrument performers may operate up to 50% capacity indoors for fully vaccinated individuals and up to 70% outdoors regardless of vaccination status.

Bank lending rose 2.7% year-on-year in September, faster than the 1.3% year-on-year expansion in August. According to the BSP, the faster loan growth reflects the modest recovery in banks' overall lending attitudes as well as improved economic prospects owing to the gradual lifting of pandemic containment measures. Meanwhile, The Philippine Statistics Authority (PSA) reported that the jobless rate increased to 8.9%, compared with the 8.1% in August was the highest for the year, matching the revised 8.9% jobless rate in February.

PORTFOLIO WEIGHTS BY ASSET CLASS



PORTFOLIO WEIGHTS BY SECTOR



Net Asset Value Per Share (NAVPS): **P 0.7570**

A Word on the Portfolio

Last week, the PSE index increase by 4.06% week-on-week to close 7,340.77 after the government announced the lowering of Metro Manila's quarantine status. In addition, marginal improvements in the country's Purchasing Manager's Index – PMI at 51 from 50.9 in Sept 2021 and inflation rate at 4.6% from 4.8% Sept 2021.

This week, we expect the market to trade sideways with an upward bias as investors' sentiments remain bullish. Investors will nonetheless be on the watch for the results of additional corporate earnings releases, 3Q GDP announcement, MSCI Semi-Annual Index Review, and the impact of the relaxed restriction on daily case confirmations and hospital care utilization rates. CIMAC will look closely at the market on how long will this bullish momentum will last. We are planning to trim down a portion of the portfolio specifically on the banking sector, BPI has the largest allocation, which is 7.73%, and we will sell at a profit of around 5 -9%.