



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2021-46
21-Nov-29

Net Asset Value: Php 351,778,852.58

Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	21-Nov-26	21-Nov-19
YTD	-6.30%	-5.90%
Rolling 1 Year	-4.43%	6.47%
Rolling 3-Year	-5.51%	-4.63%

Benchmark Returns	21-Nov-26	21-Nov-19
YTD	14.07%	14.56%
Rolling 1-Year	17.89%	29.33%
Rolling 3-Year	6.08%	7.18%

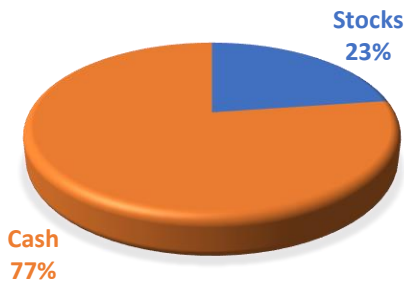
PSEi	21-Nov-26	21-Nov-19
YTD	2.10%	2.82%
Rolling 1 Year	4.12%	15.87%
Rolling 3-Year	-0.49%	0.58%

A Word on the Market

The banking sector delivered mixed 3Q21 earnings results, the sector earnings rose by 5% year on year. Driven by higher fee-based revenues around 21% year on year and lower provisions of -51% year on year. In addition, these were partially offset by weaker net interest income by -4% year on year and trading gains of -96% year on year. The power sector profits exceed expectations on power demand recovery by 71% from last year. Growth was mainly driven by the rebound in Wholesale Electric Spot Market (WESM) prices, fewer unplanned outages of power plants, as well as higher sales volume.

Meanwhile, last November 26, 2021 (Friday), U.S. West Texas Intermediate (WTI) crude for December fell 3.6% to \$76.10, while Brent Futures for January fell by 2.9% to \$78.89/bbl. Both benchmarks declined for the fourth consecutive week, for the first time since March 2020, as surging COVID-19 cases in Europe threatened to slow the economic recovery.

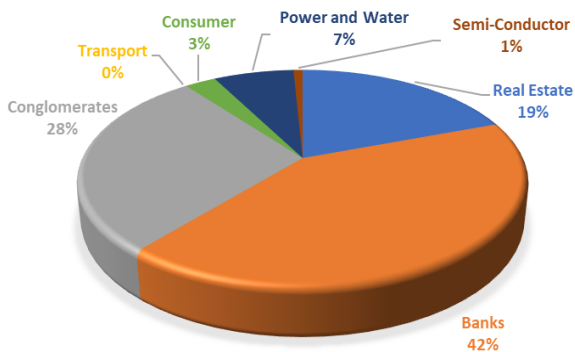
PORTFOLIO WEIGHTS BY ASSET CLASS



A Word on the Portfolio

Last week, the PSE index ended in red at 7,278.44 as it marginally fell by 0.03% week on week. The index moved along Asian peer markets and erased gains early in the week on fears of a new COVID-19 variant discovered in South Africa. Asian markets' downturn accelerated further after Hong Kong reported that two people were found to be infected with the new strain, "Omicron", and worries heightened over the high number of mutations.

PORTFOLIO WEIGHTS BY SECTOR



This week, the market continues its profit-taking with the fear of the new variant "Omicron". The IATF already announced a ban on inbound flights from South Africa, Botswana, Namibia, Zimbabwe, Lesotho, Eswatini, and Mozambique, Austria, the Czech Republic, Hungary, the Netherlands, Switzerland, Belgium, and Italy from 28 Nov to 15 Dec 2021. On the positive side, CIMAC continues buying stocks that are currently undervalued with solid financial standing. The current allocation is at 23% compared to the 95% allocation.

Net Asset Value Per Share (NAVPS): **0.7538**