Net Asset Value: **Php328,039,397.69**
Asset category: **Equities (Aggressive)**
Horizon: **Long-term**

Portfolio Returns	20-Jun-19
YTD	-19.82%
Rolling 1 Year	-23.54%
Rolling 2-Year	-10.03%

Benchmark Returns	20-Jun-19
YTD	-14.93%
Rolling 1-Year	-15.15%
Rolling 2-Year	-0.33%

20-May-15	20-Jun-19
YTD	-19.20%
Rolling 1 Year	-20.28%
Rolling 2-Year	-7.71%

PORTFOLIO WEIGHTS BY ASSET CLASS

Cash 24%
Stocks 76%
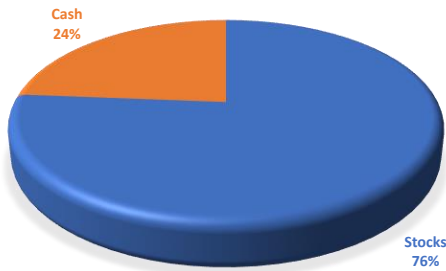
PORTFOLIO WEIGHTS BY SECTOR

Consumer 20%
Ports 3%
Transport 2%
Real Estate 25%
Banks 17%
Conglomerates 33%
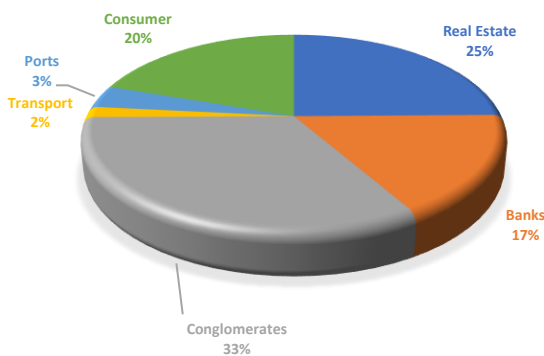
	CSCEIF	Benchmark
Mean	-0.05%	0.00%
Std. Dev.	1.36%	1.35%
Beta	0.82	
Corr. Coeff	0.81	

A Word on the Market

The PSEi fared better than expected even after its catch up selling at the start of last week. A steady recovery led the PSEi recover lost ground and end the week only marginally lower than the previous week's close.

Optimism still abounds even with the stark contrast between stock market valuations and their respective underlying economies as shown in the World Bank projections on GDP growth for 2020 (culled from World Bank's Global Economic Prospects, June 2020).

Real GDP growth

Annual estimates and forecasts[1]
(Percent change)

	2017	2018	2019e	2020f	2021f
World	3.3	3.0	2.4	-5.2	4.2
Advanced economies	2.5	2.1	1.6	-7.0	3.9
United States	2.4	2.9	2.3	-6.1	4.0
Euro Area	2.5	1.9	1.2	-9.1	4.5
Japan	2.2	0.3	0.7	-6.1	2.5
Emerging market and developing economies	4.5	4.3	3.5	-2.5	4.6
East Asia and Pacific	6.5	6.3	5.9	0.5	6.6
Cambodia	7.0	7.5	7.1	-1.0	6.0
China	6.8	6.6	6.1	1.0	6.9
Fiji	5.4	3.5	1.0	-4.3	1.9
Indonesia	5.1	5.2	5.0	0.0	4.8
Lao PDR	6.9	6.3	4.7	1.0	4.6
Malaysia	5.7	4.7	4.3	-3.1	6.9
Mongolia	5.3	6.9	4.8	-0.5	4.9
Myanmar	6.2	6.8	6.3	1.5	6.0
Papua New Guinea	3.5	-0.8	6.0	-1.3	3.4
Philippines	6.9	6.3	6.0	-1.9	6.2
Solomon Islands	3.7	3.9	2.7	-6.7	-0.3
Thailand	4.1	4.2	2.4	-5.0	4.1
Timor-Leste	-3.8	-0.8	3.4	-4.8	3.8
Vietnam	6.8	7.1	7.0	2.8	6.8

A Word on the Portfolio

Despite the stock market's marginal decline last week, the CSCEIF was able to improve on its performance. As of June 19, 2020, the CSCEIF's underperformance further shrank to just 5.4 and 6.1 percentage points versus the PSEi and the Fund's benchmark, respectively. The underperformance was 6.3 and 6.9 percentage points versus the PSEi and the Fund's benchmark, respectively in the prior week.

But with the coming week not expected to provide any direction setting news, stock prices should be on a sideways movement with a mild bias towards weakness, especially as the acceleration in CoVid-19 infections with the reopening of economies manifests itself. Yet, CIMAC is confident that with its portfolio rebalancing strategy, the CSCEIF will catch up faster with its benchmark and PSEi in the coming weeks.

2020 Performance Attribution Analysis

	Allocation		Returns		Attribution to			Total
	Portfolio (a)	Benchmark (b)	Portfolio (c)	Benchmark (d)	Allocation (e) (a-b)*(d-benchmark return)	Selection (f) (c-d)*b	Interaction (g) (a-b)*(c-d)	(h)
Equities	76.25%	95.00%	-26.37%	-15.78%	2.96%	-10.06%	1.99%	-5.12%
Bonds	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Cash	23.75%	5.00%	1.20%	1.20%	0.22%	0.00%	0.00%	0.22%
Total	100.00%	100.00%	-19.82%	-14.93%	3.18%	-10.06%	1.99%	-4.89%

Definition of Terms

Investment return	That one rate of return that would grow the value of an investment from one of its past prices to its current price level. This return is also known as the compound annual growth rate (CAGR) or effective return.
YTD	Year-to-date return or the return measured by comparing the current price to the price at the beginning of the corresponding calendar year
Rolling 1-year return	The return measured by comparing the current price to the price exactly one calendar year ago.
Rolling 3-year return	The return measured by comparing the current price to the price exactly three calendar years ago.
Rolling 5-year return	The return measured by comparing the current price to the price exactly five calendar years ago.
Performance attribution analysis	Attribution analysis is a method for evaluating the performance of a portfolio or fund manager. The method focuses on three factors: the manager's investment style, their specific stock picks, and the market timing of those decisions. It attempts to provide a quantitative analysis of the aspects of a fund manager's investment selections and philosophy that lead to that fund's performance.
Mean return	Average return
Standard deviation	Standard deviation is a statistical measurement in finance that, when applied to the annual rate of return of an investment, sheds light on the historical volatility of that investment. The greater the standard deviation of securities, the greater the variance between each price and the mean, and the greater the risk with that investment.
Beta	The beta calculation is used to help investors understand whether a stock moves in the same direction as the rest of the market, and how volatile or risky it is compared to the market. For beta to provide any insight, the "market" used as a benchmark should be related to the stock. A stock with a historical beta of 1.5 to the PSEi means that historically, when the PSEi would move up by 1%, the stock would move up by 1.5 x 1% or 1.5%. Conversely, when the PSEi would move down by 1%, the stock would move down by 1.5 x 1% of -1.5%. A high beta means a return higher than the benchmark but also at a higher risk.
Correlation coefficient	A number of 0.70 to just under 1.0 or -0.70 to just larger than -1.0 means that the correlation of a stock to the benchmark is significant and that the stock's beta is meaningful. Any other number would mean a weak correlation and a meaningless beta.
MSCI World Index	A broad global equity index that represents large and mid-cap equity performance across all 23 developed markets countries. It covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI ACWI Index	The MSCI ACWI Index, MSCI's flagship global equity index, is designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 26 emerging markets. As of December 2019, it covers more than 3,000 constituents across 11 sectors and approximately 85% of the free float-adjusted market capitalization in each market. The index is built using MSCI's Global Investable Market Index (GIMI) methodology, which is designed to take into account variations reflecting conditions across regions, market cap sizes, sectors, style segments and combinations.
MSCI Emerging Markets Index	Captures large and mid-cap representation across 26 Emerging Markets (EM) countries. With 1,403 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.
MSCI EM ASEAN Index	Captures large and mid-cap representation across 4 Emerging Markets countries. With 130 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

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