**Net Asset Value:** Php310,357,144.79
**Asset category:** 95% Equities; 5% Cash
**Horizon:** Long-term

| Portfolio Returns | 20-Aug-20 | 20-Aug-14 |
|---|---|---|
| YTD | -24.40% | -23.12% |
| Rolling 1 Year | -29.29% | -26.72% |
| Rolling 2-Year | -13.77% | -13.14% |

| Benchmark Returns | 20-Aug-20 | 20-Aug-14 |
|---|---|---|
| YTD | -18.82% | -18.18% |
| Rolling 1-Year | -18.02% | -16.40% |
| Rolling 2-Year | -4.51% | -4.34% |

| PSEi | 20-Aug-20 | 20-Aug-14 |
|---|---|---|
| YTD | -23.16% | -22.24% |
| Rolling 1 Year | -24.35% | -22.67% |
| Rolling 2-Year | -11.01% | -10.79% |

**PORTFOLIO WEIGHTS BY ASSET CLASS**



Cash 24%
Stocks 76%

**PORTFOLIO WEIGHTS BY SECTOR**



Consumer 21%
Ports 4%
Transport 2%
Real Estate 25%
Banks 16%
Conglomerates 32%

| | CSCEIF | Benchmark |
|---|---|---|
| Mean | -0.05% | -0.01% |
| Std. Dev. | 1.34% | 1.34% |
| Beta | 0.82 | |
| Corr. Coeff | 0.82 | |

# A Word on the Market

Fear seems to still be the number one emotion gripping investors and traders all over the world. There are weeks wherein there would be bouts of improving sentiment. But fears of when the vaccine will come as well as the effectiveness of therapeutics against CoVid-19 keep dousing such optimism.

This fear has created differing themes depending on the region. In the US, for example, it is the tech stocks that are lording it over the stock markets as investors and traders favor technology that can bridge, in more ways than one, the divide created by social distancing. In the Asia Pacific (AsiaPac) region, the markets in countries that have a good control over the spread of CoVid-19 are the favored ones. On top of that, ASEAN markets appear to be out of favor, a theme that has been in place since 2019.
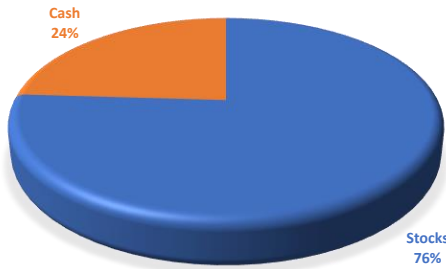
Other than the month-ahead inflation forecast expected on August 28, 2020, there is no other looming announcement of macroeconomic data that could spur interest in the local market. As such, prices are seen to move sideways for the week ahead.
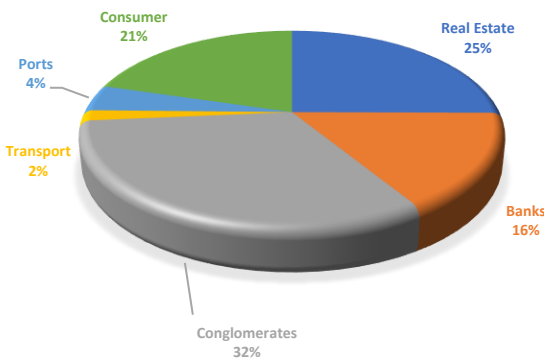
# A Word on the Portfolio

CIMAC is just waiting for prices to hit their short-term support levels once more before loading up the CSCEIF portfolio towards the target allocation of 95% overall.

In terms of sectors, the focus will still be the pandemic proof consumer and banking sectors. There will also be significant allocations to the real estate sector as CIMAC's expects interest rates to remain low enough to spur renewed property buying and renting once the vaccine for SARS CoV-II is developed and distributed. And because of their huge exposure to the just mentioned sectors, conglomerates have likewise been thrown into the mix. Rounding out the sectors is the ports sector, which has likewise been resilient during the pandemic.

**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 | 75.94% | 95.00% | -32.39% | -19.85% | 3.78% | -11.91% | 2.39% | -5.74% |
| Bonds | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% | 0.00% |
| Cash | 24.06% | 5.00% | 0.80% | 0.80% | 0.15% | 0.00% | 0.00% | 0.15% |
| Total | 100.00% | 100.00% | -24.40% | -18.82% | 3.94% | -11.91% | 2.39% | -5.58% |

# 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.<br><br>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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