



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2022-01
22-Jan-10

Net Asset Value: Php 346,509,029.99

Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	22-Jan-07	21-Dec-29
YTD	-6.77%	-5.97%
Rolling 1 Year	-8.18%	-6.29%
Rolling 3-Year	-6.39%	-5.29%

Benchmark Returns	22-Jan-07	21-Dec-29
YTD	10.28%	15.17%
Rolling 1-Year	7.87%	14.55%
Rolling 3-Year	3.21%	5.79%

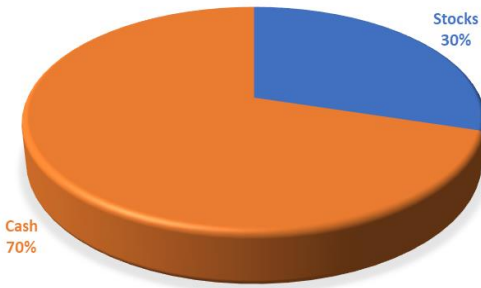
PSEi	22-Jan-07	21-Dec-29
YTD	-1.80%	2.73%
Rolling 1 Year	-4.02%	1.90%
Rolling 3-Year	-3.08%	-0.59%

A Word on the Market

The government raised the COVID-19 alert in three provinces adjacent to the capital region due to the threat of a more transmissible Omicron variant. Which leads to more mobility restrictions and lower operating capacity for some commercial establishments. According to OCTA Research, the latest COVID-19 positivity rate in Metro Manila reached a new high of 40% with a high reproduction rate of the virus in the region is at 5; Metro Manila has been classified under critical risk for COVID-19. The DoH projects cases peaking by the end of January, warning that the number of cases may be higher than the previous Delta surge.

Headline inflation in December further decelerated 3.6% from 4.2% in November. This was lower than the consensus forecast of 4.1% but within the BSP's monthly forecast range of 3.5-4.3%. This brought inflation for the full year of 2021 to 4.5%, which is above the government's full-year inflation target range of 2-4%.

PORTFOLIO WEIGHTS BY ASSET CLASS

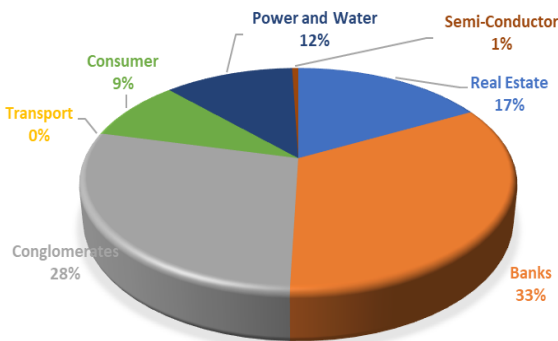


A Word on the Portfolio

Last week, the PSE index dropped -0.43% and close at 7,011.11 after the government placed Metro Manila and surrounding provinces placed to Alert Level 3 starting January 3, 2021. However, better-than-expected December inflation at 3.6%, the lower unemployment rate for November at 6.5%, as well as the nine-month high PMI at 51,8 in December mitigated a steeper decline in the market.

This week expect the market to trade lower as the Department of Health prepares for the possibility that Metro Manila might be placed under Alert Level 4 due to the rising number of infections. Moreover, investors will be watching closely for the US inflation print for December on Wednesday.

PORTFOLIO WEIGHTS BY SECTOR



Net Asset Value Per Share (NAVPS): **0.7500**