



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2022-04
22-Jan-31

Net Asset Value: Php 351,021,859.24

Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	22-Jan-28	22-Jan-21
YTD	0.73%	0.65%
Rolling 1-Year	-1.43%	-4.31%
Rolling 4-Year	-5.64%	-5.61%

Benchmark Returns	22-Jan-28	22-Jan-21
YTD	2.53%	2.40%
Rolling 1-Year	19.20%	14.53%
Rolling 4-Year	2.45%	2.54%

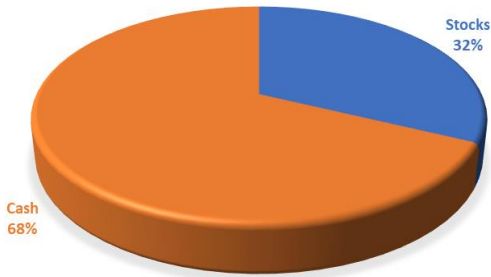
PSEi	22-Jan-28	22-Jan-21
YTD	1.82%	2.40%
Rolling 1-Year	5.84%	2.15%
Rolling 4-Year	-2.58%	-2.31%

A Word on the Market

DoH Secretary Francisco Duque III stated that Metro Manila is ready to shift to the less stringent Alert Level 2 if the national government decides to do so by February. He cites the decline in COVID-19 cases over the past few days and the high vaccination coverage in the region, adding that COVID-19 cases in NCR may have already peaked. While OCTA Research Group sees daily cases falling below 1,000 by mid-February, the group says that the Omicron wave can go on until March or April. The research organization explains that while cases in NCR, Cavite, and Rizal are declining, other regions are yet to see an uptick.

4Q21 GDP expands by 7.7%, beating consensus growth expectations of 6.3%, as looser restrictions spurred more business activity and consumer spending. This is faster than the revised 6.9% growth in 3Q21 and a turnaround from the 8.3% drop in 4Q20. According to the industrial origin, growth was driven by the 9.5% and 7.9% increase in the Industry and Services sectors respectively. The growth of the Industry sector was attributable to the expansion of the manufacturing and construction sub-sectors which increased by 7.2% and 18.5% respectively. Meanwhile, the Agriculture, Fishery, and Forestry sector also rose 1.4%.

PORTFOLIO WEIGHTS BY ASSET CLASS

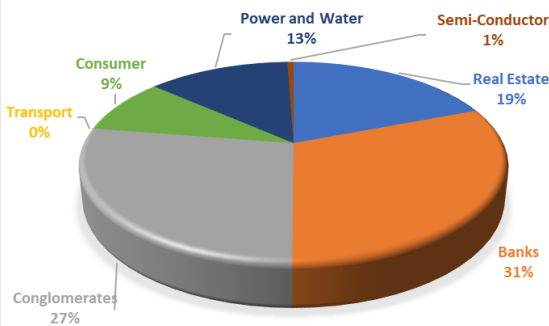


A Word on the Portfolio

Last week, the PSE index dropped 0.57% week-on-week to close at 7,251.97 as huge sell flows appeared during the closing auction on Friday. The index was volatile during the week as investors weighed news on a good GDP report and weaker markets abroad after the latest monetary policy decision from the US Fed.

This week, we expect the market to trade sideways with an upward bias amid the lowering to Alert Level 2 of Metro Manila and its surrounding provinces, along with other areas in Visayas and Mindanao beginning February 1, 2022. Meanwhile, investors will be on the lookout for Philippine inflation and manufacturing PMI output that may affect the market.

PORTFOLIO WEIGHTS BY SECTOR



Net Asset Value Per Share (NAVPS): **0.7577**