



Purpose-driven Investing

A Weekly Newsletter for CLIMBS Mutual Fund

ISSUE
2022-12
22-June-27

Net Asset Value: Php 332,816,119.99

Asset category: 95% Equities; 5% Cash

Horizon: Long-term

Portfolio Returns	22-June-24	22-June-3
YTD	-8.98%	-3.87%
Rolling 1 Year	-11.25%	-6.28%
Rolling 4-Year	-20.62%	-16.17%

Benchmark Returns	22-June-24	22-June-3
YTD	14.35%	12.76%
Rolling 1-Year	24.49%	22.76%
Rolling 4-Year	32.29%	30.45%

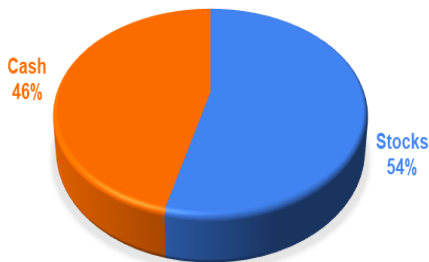
PSEi	22-June-24	22-June-3
YTD	-12.71%	-5.35%
Rolling 1 Year	-9.92%	-2.33%
Rolling 4-Year	-13.57%	-6.29%

A Word on the Market

Solar Philippines won 70% of the 2,000MW capacity auctioned by the DOE - Department of Energy via GEAP – Green Energy Auction Program. This is on top of the 850MW contract with Meralco that would be awarded to Terra Solar a joint venture between Prime Infra and Solar Philippines. Management is walking the talk as they announced recently that they aim to substantially contract its 10GW pipeline capacity this year and to start construction in the next three years.

The BSP hiked its policy rate by 25bps to tame rising inflationary pressures. This are in line with consensus estimates but lower than some banks' 50bps forecast. The central bank continued to signal gradual policy normalization despite the weakening Philippine peso. Meanwhile, the BSP's latest baseline forecasts have shifted higher, with average inflation projected to breach the upper end of the 2-4% target range at 5.0% in 2022 and 4.2% in 2023.

PORTFOLIO WEIGHT BY ASSET CLASS

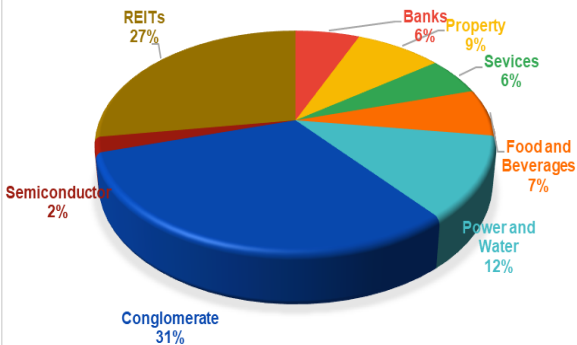


A Word on the Portfolio

Last week, the local equities market snapped its three-day losing streak on Friday, taking cues from a US rally overnight. The PSE index rose by 2.51% to close at 6,217.56. The index was able to stay above its 5,900-support level after the strong sell-down early last week. We could potentially see a follow through of the oversold rally this week as investors make quarter-end rebalancing trades to take advantage of the steep decline seen in 1Q22. There are still major downside risks present that hinders the PSEi from reversing its downtrend. The 10-year Treasury yield just hit a new high of 7.14% while the peso is at its weakest position in three years of Php54.99/USD.

This week, Given the market remains at near oversold levels, we see the market could trade higher especially amid possible quarter-end window dressing activities at the latter part of the week. However, the Peso weakness, rising inflation pressures, and recession worries in the US will continue to be a drag on both sentiment and risk appetite.

PORTFOLIO WEIGHT BY ASSET CLASS



Net Asset Value Per Share (NAVPS): **0.6886**

***NAVPS is the value by which you can buy or sell your shares of stocks of the climbs mutual fund