



Purpose-Driven

# INVESTING

for Climbs Equity Mutual Fund

Issue 17  
12/27/2022

Net Asset Value: Php 337,948,828.61  
Asset category: 95% Equities; 5% Cash  
Horizon: Long-term

Portfolio Returns	22-Dec-27	22-Nov-11
YTD	-9.33%	-11.76%
Rolling 1 Year	-9.33%	-11.38%
Rolling 4-Year	-22.97%	-24.74%

Benchmark Returns	22-Dec-27	22-Nov-11
YTD	11.26%	-3.13%
Rolling 1-Year	11.26%	-4.60%
Rolling 4-Year	16.47%	2.87%

PSEi	22-Dec-27	22-Nov-11
YTD	-8.17%	-11.74%
Rolling 1 Year	-8.17%	-12.69%
Rolling 4-Year	-12.39%	-14.67%

## A Word on the Portfolio

The Philippine index could end flat following the mixed performance of global equities before the holidays. Despite the 3 major US indices still managing a +0.44% average gain, traders had shown hesitation and tentativeness towards adding exposure to speculative assets.

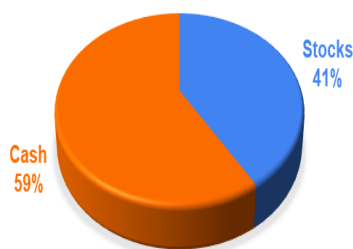
The PSE index year-end 2023 forecast is 6,700, to trade within the 5,900 to 7,400 range. 6,700 year-end forecast implies a 13.2x forward price-to-earnings per share ratio; 2023 will be a story of two halves.

1H2023: A pause/pivot in the US Fed's interest rate hikes may cause the market to take a risk-on stance. Trading opportunities may arise and short-term rallies may ensue.

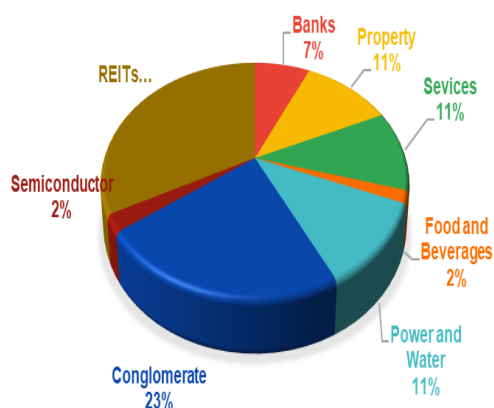
2H2023: The market could take a downturn as the lagged impact of monetary policy tightening on the economy and corporate earnings comes to the forefront.

Taking a long-term bullish stance is challenging given late-cycle economics, overly optimistic consensus earnings, expensive valuations, and attractive bond yields.

PORTFOLIO WEIGHT BY ASSET CLASS



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## Stocks on Focus

Quote	Company Name
MER	Manila Electric Company
AP	Aboitiz Power
TEL	Philippine Long Distance Telephone Company