

31 May 2024

Peso-Hedged Global Sustainability Equity Fund



FUND DETAILS:

Inception Date	22-Jul-19	Latest NAVPU	1.516020
Fund Manager	Allianz Global Investors (AGI)	Initial NAVPU	1.000000
Fund Currency	PHP	Highest NAVPU (05.24.2024)	1.556130
Fund Size	PHP 3.28 Billion	Lowest NAVPU (03.24.2020)	0.796554
Management Fee	2.20% p.a.	Pricing / Valuation	Daily

Risk Classification

The Fund is suitable for investors with a moderately aggressive profile or for those who take medium to long - term views. As a marked - to-market Fund, its net asset value and total return may fall or rise as a result of interest rate movements and stock price movements. On redemption of units, a policyholder may receive an amount less than the original amount invested. Prior to investment in the Fund, the policyholder shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, risk tolerance, preferences and experience.

computer hardware and consumer electronics maker.

The British pound strengthened, reaching a 21-month high against the euro, as fading hopes of a UK rate cut in June contrasted with a growing belief that the ECB would reduce borrowing costs at its next meeting. Nevertheless, the euro gained ground against both the US dollar and the Japanese yen.

In the commodity markets, oil prices eased, touching their lowest level since March on fears of a looming supply glut. Conversely, metals prices moved higher.

Market Outlook

The performance continues to be highly concentrated in just a handful of stocks as has been showcased by the S&P 500 that outperformed its equal-weighted version for the fifth consecutive month of 2024. We have not largely changed the positioning of the Fund and continue to have conviction in our portfolio and our investment cases that are trading at attractive valuations.

On the macro front, the pricing-out of rate cuts has continued globally. Bit by bit, across the developed world, investors are giving up their hopes that central banks will cut policy rates this year. The market has been sanguine about shifting rate-cut expectations so far in 2024. But with stocks near record highs, artificial intelligence (AI) losing steam as a catalyst, and rate hikes entering the conversation again, the summer months may become more frantic.

Market Commentary

After a weak performance in April, markets returned to positive returns for May with the US charging the way, boosted by a jump in Technology companies, particularly a graphics processing units (GPU) manufacturer which blew past earnings' forecasts. After a continued rise throughout the month, the rally stalled in the last part of the month as rate fears came once again to the surface. The strong performance was highly concentrated in just a handful of stocks as the S&P 500 outperformed its equal-weighted version for the fifth consecutive month of 2024. In Europe, the picture was similarly positive with all indices in the green but lagging their US peers. Asian equities struggled for a firm direction in May but generally added to gains. At sector level, Information Technology rallied the most, with Communication Services and Utilities also areas of notable strength.

US Federal Reserve (Fed) Chair Jerome Powell signalled that investors would need to be "patient and let restrictive policy do its work" in reducing inflation. However, he also confirmed that the likelihood of a further increase in rates was "very small". In the eurozone, the European Central Bank (ECB) gave its strongest hint yet that rates would be cut in June, despite higher-than-expected wage growth. Hopes that the Bank of England (BoE) would also cut rates in June were dashed when UK inflation fell less than forecast and the government unexpectedly called a general election, to be held on 4 July.

In the US, Information Technology (IT) was the standout performer as shares of the aforementioned GPU manufacturer soared after it beat quarterly earnings' forecasts, announced a stock split and increased its quarterly dividend. It is now the third largest US company by market capitalisation, beaten only by Microsoft, and a

AGI RISK AND REWARD INDICATOR



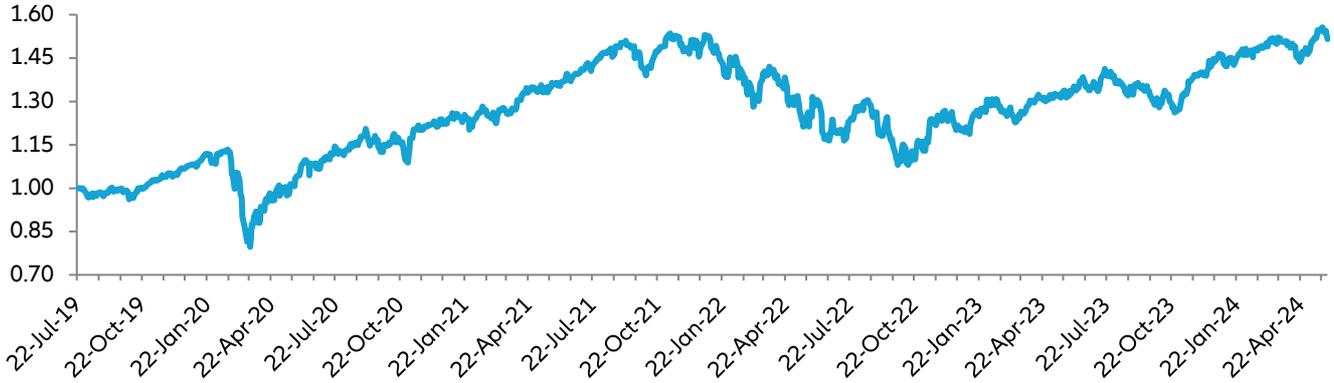
Investment Objective

To achieve long term capital growth by investing in global equity markets of developed countries with a focus on sustainable practices (namely, business practices which are environmentally friendly and socially responsible).

Performance Overview

Performance History	Year To Date	1 Year (YoY)	3 Years (YoY)	5 Years (YoY)	Since Inception
Absolute	3.45%	13.43%	11.24%	N/A	51.60%
Annualized	N/A	13.43%	3.62%	N/A	8.94%

NAVPU Since Inception

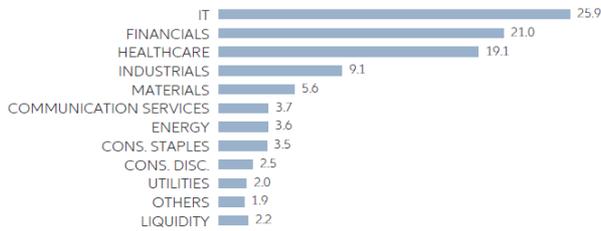


Portfolio Analysis

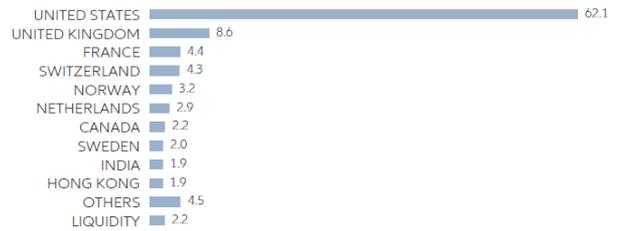
Asset Allocation



Sector Allocation (%)



Country/Location Allocation (%)



Top 10 Holdings (Country/Location) ⁴	Sector	%
MICROSOFT CORP (US)	IT	7.7
ALPHABET INC-CLA (US)	COMMUNICATION SERVICES	3.7
APPLIED MATERIALS INC (US)	IT	3.3
MEDTRONIC PLC (US)	HEALTHCARE	2.9
ASML HOLDING NV (NL)	IT	2.9
VISA INC-CLASS A SHARES (US)	FINANCIALS	2.9
S&P GLOBAL INC (US)	FINANCIALS	2.7
ZOETIS INC (US)	HEALTHCARE	2.6
AMAZON.COM INC (US)	CONS. DISC.	2.5
LONDON STOCK EXCHANGE GROUP (GB)	FINANCIALS	2.4
Total		33.6

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