

29 FEBRUARY 2024

Peso-Hedged Global Sustainability Equity Fund



FUND DETAILS:

Inception Date	22-Jul-19	Latest NAVPU	1.484860
Fund Manager	Allianz Global Investors (AGI)	Initial NAVPU	1.000000
Fund Currency	PHP	Highest NAVPU (11.10.2021)	1.536090
Fund Size	PHP 2.88 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.

Market Outlook

After the prospect of interest rate cuts dominated the end to 2023, February saw the markets shrug off news that the first cut would be later and the downward trending path slower than many participants expected. With growth in the US remaining strong, inflation within the services industries proving sticky and continued strength in the jobs market, there is little pressure on the US Federal Reserve (Fed) to cut rates aggressively. The most recent minutes from the Federal Open Market Committee (FOMC) showed that US policymakers remain "highly attentive" to the risk of rising inflation and that data needs to confirm that inflation is moving towards 2% in a sustainable way.

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).

Market Commentary

In February, global equities experienced a significant rally, driven by robust performances in key markets such as China, Japan, and the US. This surge was fuelled by optimistic expectations of further stimulus measures in China, ongoing strength in the US economy, and impressive corporate earnings.

Within the MSCI All Countries World Index, growth stocks in sectors like Consumer Discretionary, Industrials, and Information Technology emerged as top performers. Conversely, sectors like Utilities, Consumer Staples, Real Estate, and Energy faced challenges and lagged behind.

Despite this positive momentum, global central banks signalled a cautious approach towards reducing borrowing costs, while leaving room for potential rate cuts later in the year. Although headline inflation rates showed modest slowing, policymakers remained vigilant for any signs of inflationary pressures, particularly related to wage growth. While economic activity in Europe showed signs of improvement, slight deteriorations were observed in the US and Japan.

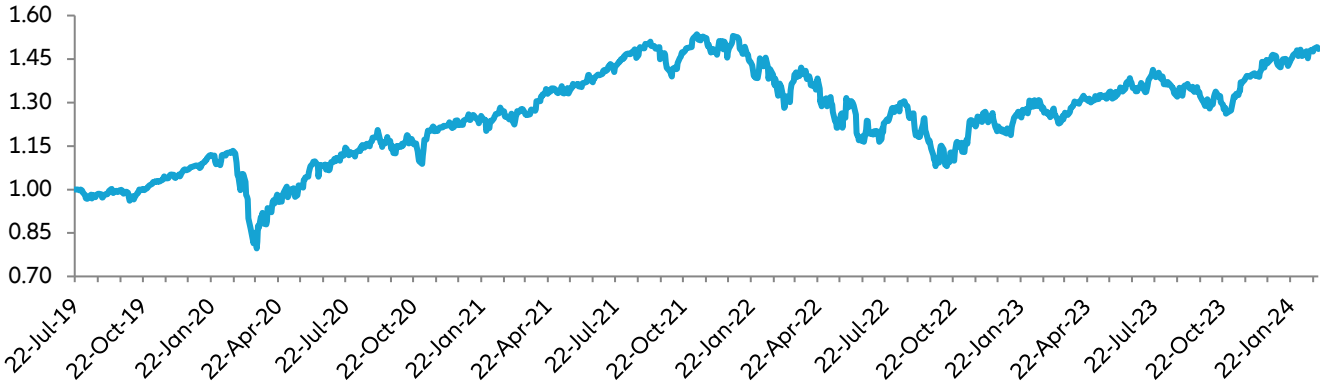
Meanwhile, oil prices hovered around USD 80 a barrel (Brent crude) throughout the month, influenced by conflicting factors such as hopes for a ceasefire in the Israel/Hamas conflict and the pending decision by the Organisation of the Petroleum Exporting Countries plus (OPEC+) regarding production cuts. European gas prices experienced a notable decline, reaching their lowest levels since May 2021 due to a combination of a mild winter and ample inventories. Gold briefly dipped below USD 2,000 a troy ounce before recovering to close the month relatively unchanged.

Alongside the robust growth in the US, there are tentative signs that sentiment may be shifting within the eurozone and the UK, as purchasing managers' indices (PMIs) climbed to the highest levels since the middle of 2023. As revised economic data showed that some economies entered a technical recession at the tail end of last year, any positive momentum is greatly received. The Chinese real estate sector remains an area of concern with a developer issued with a liquidation order by a Hong Kong judge and a fellow developer hit with a wind-up petition from a creditor. A number of policies that aim to provide growth stimulus for the economy, primarily through infrastructure projects, were announced at the National People's Congress but it remains to be seen if this is enough to sustain an ambitious 5% growth target.

Performance Overview

Performance History	Year To Date	1 Year (YoY)	3 Years (YoY)	5 Years (YoY)	Since Inception
Absolute	1.33%	15.89%	16.32%	N/A	48.49%
Annualized	N/A	15.89%	5.17%	N/A	8.97%

NAVPU Since Inception

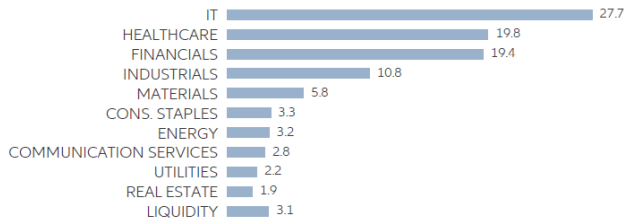


Portfolio Analysis

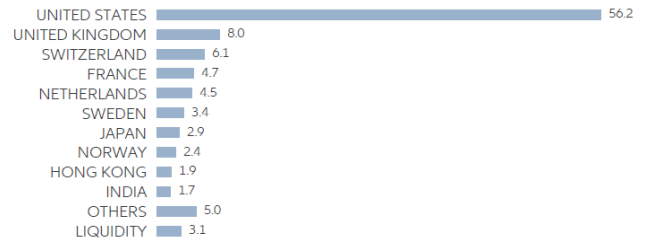
Asset Allocation



Sector Allocation (%)



Country/Location Allocation (%)



Top 10 Holdings (Country/Location) ⁴

Top 10 Holdings (Country/Location) ⁴	Sector	%
MICROSOFT CORP (US)	IT	7.4
UNITEDHEALTH GROUP INC (US)	HEALTHCARE	3.7
VISA INC-CLASS A SHARES (US)	FINANCIALS	3.3
INTUIT INC (US)	IT	3.1
MEDTRONIC PLC (US)	HEALTHCARE	3.0
APPLIED MATERIALS INC (US)	IT	2.9
ALPHABET INC-CL A (US)	COMMUNICATION SERVICES	2.8
ASML HOLDING NV (NL)	IT	2.8
S&P GLOBAL INC (US)	FINANCIALS	2.7
CME GROUP INC (US)	FINANCIALS	2.7
Total		34.4

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