PESO GLOBAL EQUITY FUND

As of January 31, 2023

Key Information and Investment Disclosure

FUND INFORMATION

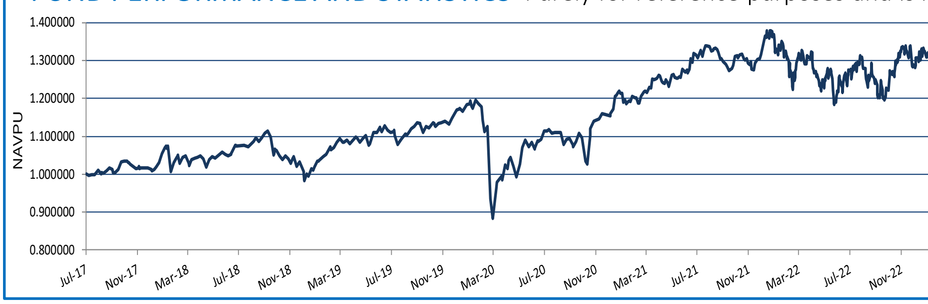
Launch Date	July 18, 2017	Net Asset Value per Unit (NAVPU)	PHP	1.317529
Bloomberg Ticker	ILPGEQF PM Equity	Total Fund NAV (Mn)	PHP	1,400.50

INVESTMENT OBJECTIVE AND STRATEGY The Peso Global Equity Fund seeks to achieve long-term growth and capital appreciation by investing majority of its assets in a Fund with principal exposure in income producing equity securities in markets throughout the world.

RISK PROFILE As an asset class, Equity investments have the highest risk profile in the universe of funds of InLife and is for investors with an **aggressive** risk tolerance. This is for investors who are already invested in the Philippine market and seeks diversification by having an exposure in global equity markets while investing with Philippine Pesos.

FUND PERFORMANCE AND STATISTICS

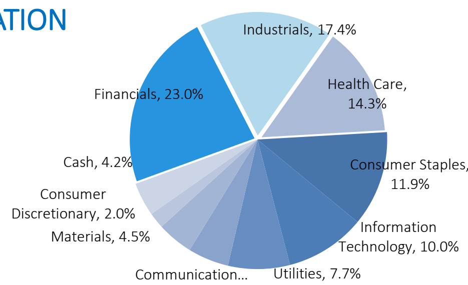
Purely for reference purposes and is not a guarantee of future results



YTD	0.80%
YOY	-0.92%
3 YRS	11.71%
5 YRS	22.73%
Since Inception	31.75%

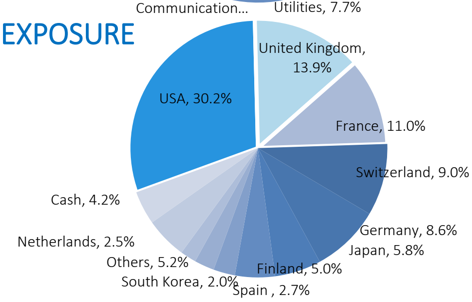
ASSET ALLOCATION

(Target Fund)



GEOGRAPHIC EXPOSURE

(Target Fund)



TARGET FUND'S TOP HOLDING COMPANIES

Unilever Plc
Relx Plc
Deutsche Boerse AG
Sanofi
Zurich Ins Group Ltd
Omnicom Group Inc
Roche Holding AG
Novartis AG
Sampo Oyj
Cisco Systems Inc

MARKET REVIEW Global equities had a strong start to the year as upbeat economic data and improving corporate earnings boosted investor sentiment. The prospects of a less restrictive monetary policy underpinned by signs of cooling inflation provided additional support. At a regional level, emerging market equities outperformed their developed market counterparts. China's relaxation of COVID-19 restrictions and pent-up consumer demand raised expectations that the Chinese economy will experience a strong recovery in the first half of 2023. US equities advanced on the back of stronger-than-expected economic data, easing wage pressures and a decline in unemployment. European equities performed well as a relatively mild winter and an increase in gas storage in the European Union (EU) helped defuse the ongoing energy crisis and reduced the risk of a deep winter recession. Japanese equities lagged the rally in comparison, as inflation accelerated and the Bank of Japan (BoJ) loosened its yield curve control, widening the band for 10-year government bonds from 0.25% to 0.50%. Against this backdrop, consumer discretionary emerged as the best-performing sector. The relatively defensive sectors such as healthcare, utilities, and consumer staples were amongst the notable laggards while falling energy prices dampened momentum in the energy sector. Signs of economic recovery bolstered growth stocks which fared better than value, while small-cap gains surpassed their large-cap counterparts.

FUND PERFORMANCE The Target Fund returned 3.9%, while the index delivered 7.2% in January. At a sector level, consumer discretionary and communication services were the standout performers, having been the weakest sectors in 2022. Consequently, the Fund Manager’s limited exposure to these stocks held back relative gains, as did the weak performance of financial holdings. The more defensive health care, utilities, and consumer staples sectors were weaker. Consequently, the overweight exposure to these sectors weighed on relative returns. However, the Target Fund’s bias toward the industrial sector contributed to performance. The lack of exposure to energy stocks also supported performance as the fall in energy prices dampened momentum in the sector. Consumer goods companies Colgate Palmolive and Unilever detracted from returns as defensive stocks were out of favor during the month. Despite difficult global macroeconomic conditions, the former delivered a 5% rise in net sales in the fourth quarter and an 8.5% increase in organic sales with growth in every division and across categories. The latter announced the appointment of new CEO Hein Schumacher, who will take over from Alan Jope on July 1, 2023. Shares in pulp and paper producer UPM Kymenne were weak on concerns around a normalization in paper and pulp prices. Conversely, manufacturing company Saint-Gobain rose after it announced the acquisition of Matchem and IDP Chemicals. These acquisitions will help the company to strengthen its position in construction chemicals. Taiwan Semiconductor advanced after reporting its fourth-quarter results. Despite customers' inventory adjustments, sales climbed 2.0% due to a more favorable foreign exchange rate and the ongoing ramp-up of its industry-leading 5nm technology.

FUND POSITONING The increased cost of capital has led to compressed valuations across the market, but with an outsized impact on growth stocks that had previously benefited strongly from an accommodative monetary policy. As recession risks have mounted, the more defensive parts of the market have offered relative protection. The Target Fund’s focus on high earnings persistence and resilient, cash-generative businesses should drive strong risk-adjusted returns, alongside an attractive yield and a growing dividend. The portfolio remains defensively positioned. The Target Fund Manager maintains a strong quality bias in the portfolio and owns predominantly defensive business models with robust balance sheets at attractive valuations. Regional and sector weightings are an outcome of the strategy’s unconstrained, bottom-up process. They remain well diversified on both counts. They monitor geographical risk from the country of domicile, but more usefully, by underlying revenues. They have key holdings in consumer staples, non-life insurance, financial exchanges, pharmaceuticals, and other sectors with limited correlation to economic growth. In the more cyclical parts of the market, the Target Fund holds a number of mature businesses in the technology space (particularly in the semiconductor and hardware industries) that meet its investment criteria. They also have positions in high-quality industrials businesses. The Target Fund currently has limited allocation to commodity stocks, given their exposure to underlying commodity prices – a factor that is outside of their control – and minimal holdings in the consumer discretionary sector.