PESO GLOBAL TECHNOLOGY FUND

As of January 31, 2023

Key Information and Investment Disclosure

FUND INFORMATION

Launch Date	January 22, 2020	Net Asset Value per Unit (NAVPU)	PHP	1.527320
Bloomberg Ticker	ILPGTEF PM Equity	Total Fund NAV (Mn)	PHP	5,511.69

INVESTMENT OBJECTIVE AND STRATEGY

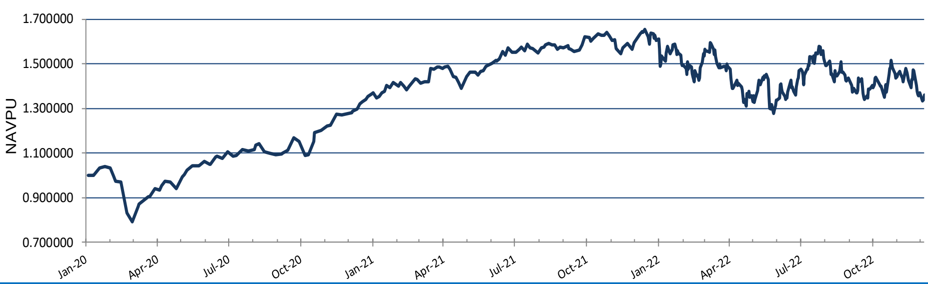
The Peso Global Technology Fund seeks to achieve long-term capital appreciation by investing majority of its assets in a local domiciled fund whose underlying investment is exposed to equity securities of companies throughout the world that derive or benefit significantly from technological advances and improvements.

RISK PROFILE

As an asset class, Equity investments have the highest risk profile in the universe of funds of InLife. In this asset class, the Peso Global Technology Fund is **highly aggressive** as it seeks to invest both in established technology companies but also in the future technology winners. This fund is suitable for investors seeking peso-denominated global investments who have a deep appreciation of the risk and rewards of investing in a specific sector of the equities market.

FUND PERFORMANCE AND STATISTICS

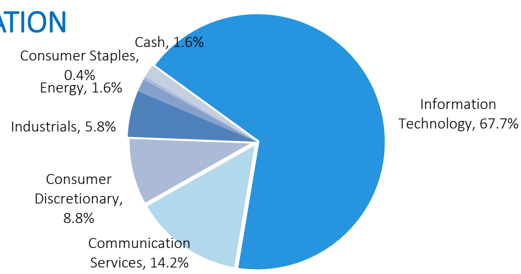
Purely for reference purposes and is not a guarantee of future results



YTD	-16.71%
YOY	-16.71%
3 YRS	52.74%
Since Inception	52.73%

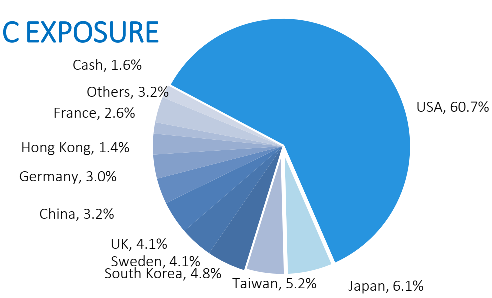
ASSET ALLOCATION

(Target Fund)



GEOGRAPHIC EXPOSURE

(Target Fund)



TARGET FUND'S TOP HOLDING COMPANIES

Microsoft Corp
Apple Inc
Salesforce Inc
Amazon.com Inc
Alphabet Inc
Samsung Electronics Co Ltd
Ericsson
Qualcomm Inc
SAP SE
Rolls-Royce Holdings PLC

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. Markets priced in expectations that the Federal Reserve (Fed) will raise interest rates albeit at a slower pace after its two-day policy meeting with the European Central Bank following suit. 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. Expectations that the Fed will slow down the pace of rate hikes bolstered growth stocks which fared better than value, while small-cap gains surpassed their large-cap counterparts. All IT sub-sectors recorded positive returns during the month with semiconductors & semiconductor equipment and technology hardware, storage & peripherals, and segments advancing the most.

FUND PERFORMANCE The Target Fund returned 12.5% during the month, compared to 8.5% for the comparative index. In a market environment that favored growth oriented stocks, strong security selection in the software, internet & direct marketing retail, and entertainment sectors contributed to returns. At a stock level, shares in e-commerce major Amazon were among the leading contributors to returns. The rally in growth stocks supported overall sentiment, with the market willing to look through some of the uncertainty to focus on the company's leadership position and focus on efficiency gains. The holding in cloud-based software company Salesforce also rose as the company announced a broad restructuring plan that will see cuts in both employees and real estate. Shares were also supported by news that the activist investor firm Elliott Management took a large stake in the company. The significant underweight in software major Microsoft further supported relative performance as its shares fell amid concerns over the growth prospects for its cloud business in an environment with more cautious consumer spend. Shares in Spotify Technology rose after the audio streaming platform delivered strong subscriber-growth metrics, adding a record 33 million monthly active users (MAUs) in the fourth quarter. Premium subscribers, from which Spotify generates the bulk of its revenue, grew by 14% to 205 million beating estimates. The advertising business also experienced solid growth, despite a challenging macroeconomic environment. On the downside, the holding in telecommunications equipment major Ericsson fell after it reported lower-than-expected fourth-quarter earnings as sales of 5G equipment slowed in high-margin markets such as the US. Ericsson has already announced plans to cut costs amid the weakening macro environment, the effect of which is expected to appear in the second quarter. The company is also expecting significant patent revenue growth over the coming 18-24 months and could be a net beneficiary of Chinese competitors facing heightened scrutiny. The lack of exposure to expensively valued semiconductor names such as Nvidia and ASML Holding also held back relative performance as their shares benefited from the rally seen in growth stocks during the month.

FUND POSITONING In the Target Fund Manager's view, trying to get a cycle view right is not only extremely difficult but also less important than understanding underappreciated long-term drivers of companies. Their focus this year is to find such stocks, with an even stronger emphasis than usual on bottom-up analysis. Despite the short-term cyclical headwinds, the global technology opportunity set remains diverse and wide-ranging. Balance sheets remain generally strong, while a lot of technology business models are recurring in nature, with firms getting better at monetizing customer engagement. This makes for a more stable demand environment than in the past. Inflation is a concern, but companies are raising prices as cost increases - be it semiconductor price increase, CPI-linked software pricing, or the take rate business model of internet platforms and payment networks. Looking beyond the current uncertain macro environment, companies across the sector are set to benefit from long-term demand from consumers, enterprises, and governments for technology products and solutions. Thinking about the adoption curve over the next 3-5 years, growth in things like cloud, data analytics, cybersecurity solutions, electric vehicle adoption, and factory automation will continue. On top of this, recent events like the pandemic and supply chain disruptions have led to a step change in the total addressable market in areas like Cloud computing, IT to support hybrid work, and supply chain management. All of this bodes well for long-term supply/demand dynamics in the sector.