



FUND PROFILE

Fund Classification	Balanced Fund
Risk Profile	Moderate
Fund Currency	Philippine Peso
Launch Date	18-May-07
Net Asset Value per Share (NAVPS)	2.6052
Fund Size	PHP 1,092.93 in Millions
Annualized Volatility	11.40%
Management Fee	up to 1.8750% per annum
Min. Initial Investment	PHP 5,000
Min. Add'l Investment	PHP 1,000
Min. Holding Period	6 months
Sales Load	max. of 3%
Exit Fee	1.00% within 6 months
Redemption Notice Period	max. of 7 days
Valuation Method	Marked-to-Market
Custodian Bank	Citibank
Transfer Agent	Metrobank Trust

MARKET UPDATE

• The PSEi opened January with a sharp 2-week rally amid the earlier than expected removal of zero covid policy in China, finally opening their borders to the world. Market sentiment was also lifted by the US' 4Q GDP release coming out higher than consensus, and the potential slower rate hikes compared to last year's jumbo increases by the Fed and the BSP. However, the rally faltered during the final stretch of the month on profit-taking, and as fund managers rebalance their portfolio ahead of the index rebalancing on February. The local index still ended the month on a positive note (+3.5% MoM, 6,793).

• Market activity slowed by 27% to \$145M vs \$200M last month.

• Sectors: Financials +8.84%, Services +3.57%, Conglos +3.16%, Industrials +2.90%, Properties +0.83%, M&O +0.07%

• Top 5 Index Gainers: MONDE +19.13%, MPI +18.13%, GTCAP +17.24%, BDO +16.18%, UBP +12.25%

• Bottom Index Losers: ACEN (-8.14%), GLO (-7.34%), SCC (-7.25%), MER (-6.09%), ALI (-4.87%)

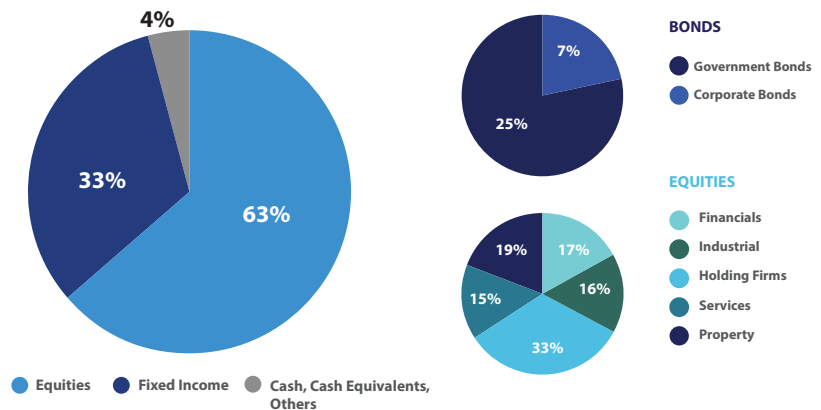
• Local GS market saw a bull flattening in the month as yields declined by around 60 – 90 bps MoM as higher expectations of nearing the end of monetary tightening fueled demand in the market, with most of the trading activity seen in the belly to the long end. This was also evident in the auctions for the month, as volumes tendered increased per week, with the auction for FXTN 25-7 (12.6Y) saw a bid-to-cover ratio of 5.28. However, with release of January CPI at 8.7% (7.7% consensus, 8.1%), the highest level since November 2008, more hawkish tone from the Fed after their 25-bps policy rate hike, and a lack of downward local catalysts, we expect local yields to trade with an upward bias in the near term. Furthermore, the BSP is expected to raise their policy rates by 25-bps in their next MB meeting, but a 50-bps hike is still on the table after the higher-than-expected January inflation print.

• The US Treasury yield curve saw a rally in the month, with yields declining by around 5 – 40 bps as slower US inflation and slower pace of Fed rate hike fueled risk-on sentiment in the market. US inflation slowed down for the 6th straight month in December (6.5%, 7.1% prev.), and is expected to continue to taper in the next few months. Given this, the Fed raised their policy rates by 25-bps, slower compared to their last 5 hikes where they raised rates by 50 – 75 bps. However, the US labor market remained strong, with the latest nonfarm payrolls (517k in January) almost tripling market estimates, which prompted more hawkish signals from the Fed. If inflation remains to be elevated and the labor market does not cool down in the near term, the Fed may potentially need to raise rates more than what the market is pricing in (terminal rate of 5.0% - 5.25%).

DISCLAIMER: This is not a deposit product. Earnings are not assured and principal amount invested is exposed to risk of loss. An investment in the Fund is not insured or guaranteed by the Philippines Deposit Insurance Corporation or any other government agency. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. Past performance is not a guide to future performance. The price of securities can and does fluctuate, and any individual security may experience upward or downward movement

FUND BASICS

SALBF is invested mainly on diversified portfolio of fixed income tradable securities and listed equities to provide potential capital growth with returns and inflows. Suitable for moderate type of investors who are seeking to diversify and maximize their returns by investing in fixed income and equity securities.

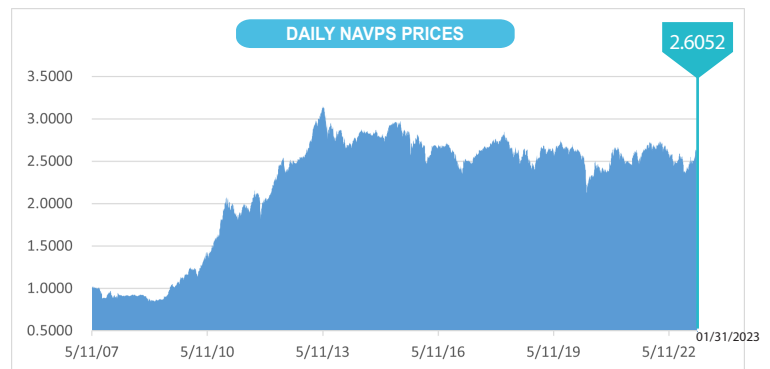


CUMULATIVE RETURNS¹

	YTD	1-year	3-year	5-year	10-year	S.I. ²
SALBF	2.27%	-5.32%	0.30%	-9.11%	-8.50%	154.67%
Benchmark³	3.29%	-3.91%	-	-	-	-

CALENDAR YEAR RETURNS⁴

	2021	2020	2019	2018	2017
SALBF	1.07%	-0.36%	3.51%	-7.93%	14.50%



Top Holdings

TOP 5 EQUITY HOLDINGS (48.65% OF EQUITY HOLDINGS)

SM INVESTMENTS CORP
SM PRIME HOLDINGS INC
BDO UNIBANK INC
AYALA LAND INC
INTL CONTAINER TERM SVCS INC

Top Holdings

TOP 5 BONDS / CASH HOLDINGS (74.51% OF BOND HOLDINGS)

USDPHP NOTES	3.6875%	09/02/24
ROBINSONS LAND RLCPM	3.683%	07/17/23
SAN MIGUEL FOOD FBPM	5.25%	03/10/27
SM INVESTMENTS SMPM	3.3613%	04/02/24
PHILIPPINE GOV'T RPPB	7.25%	06/23/32

¹ Year-on-year cumulative returns as of January 31, 2023.

² Since Inception as of 06/15/07.

³ Benchmark - 50% PSEi + 50% Blended FI Benchmark. (Blended FI Benchmark is composed of 60% BPHILR Index+ 30% SPBPHCPT Index + 10% PSAVAVE Index and was first used on 09/01/20)

⁴ Calendar Year Return is computed by getting the change on NAVPS from the first business day of the calendar year to the last business day of same year (Jan 01 - Dec. 31 of a given year).

Note: Year-to-date (YTD) return refers to the amount of profit made by an investment since the first day of the current year