

# PhilEquity Fund



## INVESTMENT OBJECTIVES

To seek long-term capital appreciation through investing primarily in equity securities of listed Philippine companies while considering the liquidity and safety to manage risk.

## FUND FACTS

Incorporation Date	21 February 1994
Structure	Open-ended mutual fund
Currency	Philippine Peso
Valuation method	Marked-to-market
Type	Equity Fund
Sales Load	Max of 3.5%
Exit fee	Max of 2%
Annual Management fee	1.5% p.a. of total funds under management
Hold period to waive exit fees	More than 2 years
Redemption Period	Max of 7 banking days
Fund Manager	Philequity Management Inc.

## MARKET COMMENTARY

The Philippine Stock Exchange Index (PSEi) was up 0.30% for the month, closing at 6,864.82 on July 31 after breaching an intraday high of 7,016.71 on July 7.

Inflation for June slowed to 4.4 percent, slower than the 4.5 percent registered in May and 2.7 a year ago. The figure was within the BSPs forecast range of 4.1 to 5 percent for the month and better than consensus estimates. Governor Tetangco maintained that they are keeping a close eye of shifts in investor preference and changes in the global growth dynamics due to advanced economies' monetary policy which may lead to volatility in the market.

A Moody's report fueled buyers in the market as it stated that the Philippines would be the least impacted among the ASEAN counties by a significant downturn in Chinese demand, a primary cause for concern in global growth.

The BSP maintained its hawkish stance after the Fed's meeting, ready to deploy policy measures to counter any negative impact on domestic prices of US Fed action to end its bond buying program as well any geopolitical risks. By the end of July, the MB finally raised the overnight borrowing rate by 25bps to 3.75 percent after keeping it on hold since December 2012. This by far, has been the most aggressive tightening move by the BSP for the year after raising reserve requirements early in the year and raising the SDA rate last month but the stock market was resilient and even rallied the following day after the announcement.

The Fund returned 0.75% for the month versus 0.30% for the PSEi. Year to date, the fund is up 19.21% versus 16.55% for the PSEi.

## FEATURES

Initial Investment	PhP 5,000	
Additional Investment	PhP 1,000	
Sales Load	5k - 99k	3.50%
	100k - 249k	3.25%
	250k - 499k	3.00%
	500k - 999k	2.75%
	1M - 1.9M	2.50%
	2M - 4.9M	2.00%
	5M - 9.9M	1.50%
	10M - 19.9M	1.00%
	20M - 49.9M	0.50%
	50M+	0.25%
Exit Fees	< 1 Year	2.00%
	1 - 2 Years	1.50%
	> 2 Years	0.00%

## PORTFOLIO ANALYSIS

Top Ten Holdings		
Issue	Industry	%
Philippine Long Distance Telephone Co.	SERVICES	10%
Nickel Asia Corp.	MINING AND OIL	7%
Universal Robina Corp.	INDUSTRIAL	6%
SM Investments Corp.	HOLDING FIRMS	5%
Metropolitan Bank & Trust Co.	FINANCIALS	5%
Ayala Corp.	HOLDING FIRMS	4%
Ayala Land, Inc.	PROPERTY	4%
BDO Unibank, Inc.	FINANCIALS	3%
Bank of the Philippine Islands	FINANCIALS	3%
International Container Terminal Services, Inc.	SERVICES	3%
Total % of Top Holdings		50%

Sector Weightings	
Industrial	20%
Holding Firms	19%
Services	20%
Financials	14%
Property	11%
Mining and Oil	8%
NAVPS as of Jul 31, 2014	
34.4519	

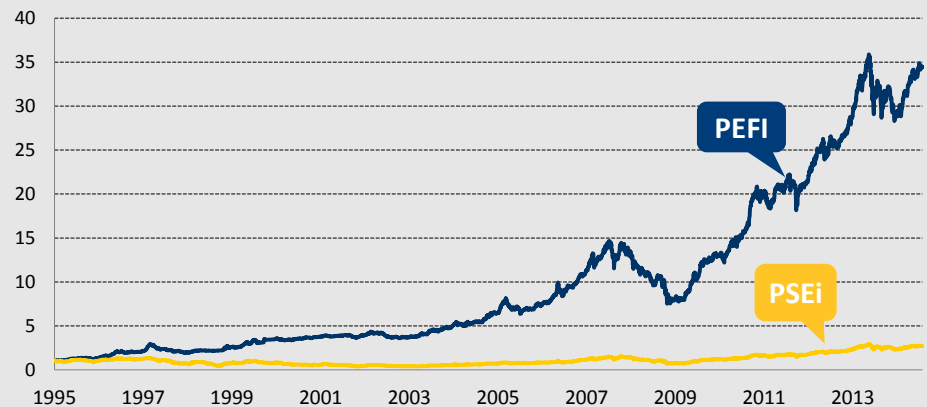
## PERFORMANCE ANALYSIS

Actual Returns (%) before sales charges, after mgmt fees						
	YTD	1 mo	6 mos	YoY	3 Yrs	Since Launch
PEFI	19.21%	0.75%	16.81%	7.14%	56.72%	3005.17%
PSEi	16.55%	0.30%	13.63%	3.40%	52.43%	145.33%

\*Since Launch date is January 2, 1995, Benchmark is PSEi

Compounded Annual Growth rates (%)		
	PEFI	PSEi
10 years	20.23%	15.79%
5 years	23.56%	19.66%
3 years	16.16%	15.09%

### NAVPS Graph



### Calendar Year Returns (%)

	2013	2012	2011	2010	2009	2008	2007
PEFI	0.87%	33.69%	6.12%	54.18%	65.05%	-40.71%	18.33%
PSEI	1.33%	32.95%	4.07%	37.62%	63.00%	-48.29%	21.43%

### Volatility of Returns / Annual Standard Deviation (+/-,%)

	YTD	2013	2012	2011	2010	2009	2008	2007
PEFI	10.47%	18.79%	13.79%	17.35%	16.72%	17.81%	24.90%	23.48%
PSEI	11.95%	23.57%	14.68%	18.43%	17.42%	21.78%	33.75%	27.08%

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