

# PhilEquity Fund



## INVESTMENT OBJECTIVES

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

## FUND FACTS

Incorporation Date	21 February 1994
Structure	Open-ended
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.

## COMMENTARY

The Philippine Stock Exchange Index (PSEi) closed February 28 at 6,424.99 up by 6.35% from the previous close of 6,041.19 on January 31. The PSEi broke its technical downtrend to form a new support at 6,200 with resistance between 6,400 to 6,600.

Company earnings reports for the FY2013 drove the market higher in addition to growing OFW remittances, BPO revenues, structural growth and higher GDP growth. The Philippines was resilient despite the problems of our neighboring countries. With the continued resiliency, the PSEi is now being differentiated from the other emerging markets. Foreign flows continued to buy back the Philippine stocks, sending our market higher and making the Philippines the 2nd fastest growing economy in Asia, next to China.

The PSE also announced to include Meralco (MER) back on the composition of the PSEi, replacing Manila Water Co. (MWC) during the semiannual rebalancing. Meralco is the 5th largest holding of PEFI's investments.

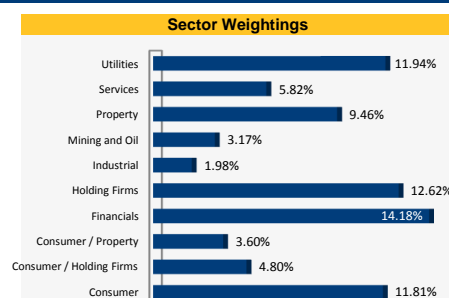
The fund return 6.44% for February while the PSEi returned 6.35%. MoM returns were equal for the Fund and PSEi. The fund was also less volatile with a standard deviation of 12.4% versus its benchmark (PSEi) of 14.7%. On a longer term, the fund return 19.60% for the past 10 years, 31.45% for the past 5 years and 19.27% for the past 3 years. The top ten holdings represent 46.2% of the Fund.

## 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	%
PLDT	Utilities	8.2%
Metrobank	Financials	5.5%
Universal Robina Corp	Consumer	5.5%
SM Investments Corp	Consumer / Holding Firms	4.8%
Meralco	Utilities	4.2%
Ayala Land Inc	Property	4.1%
Ayala Corp	Holding Firms	4.0%
BPI	Financials	3.6%
Jollibee Food Corporation	Consumer	3.2%
Meralco	Consumer / Holdings Firms	3.2%



Total % of Top Holdings **46.2%**

NAVPS as of Feb 28, 2014 **31.3944**

## PERFORMANCE ANALYSIS

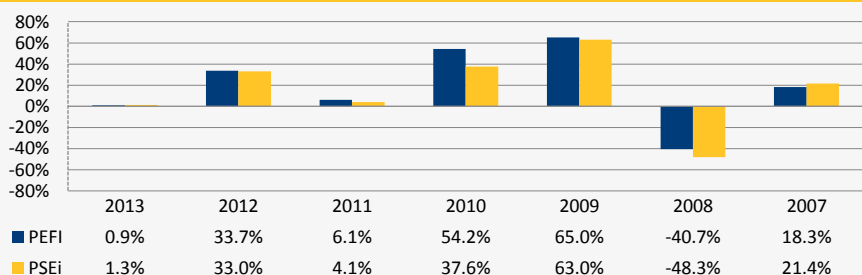
Actual Returns (%) before sales charges, after mgmt fees							Compounded Annual Growth rates (%)		
	YTD	1 mo	6 mos	1 Yr	3 Yrs	Since Launch		PEFI	PSEi
PEFI	8.6%	6.7%	9.5%	-4.9%	69.7%	2729.6%	10 years	19.60%	15.79%
PSEi	9.1%	6.7%	12.0%	-4.4%	70.6%	129.6%	5 years	31.45%	27.97%
							3 years	19.27%	19.48%

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

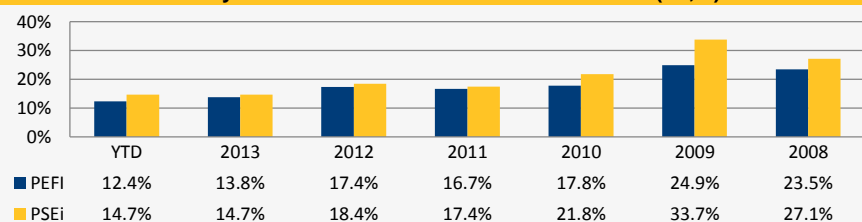
### NAVPS Graph



### Calendar Year Returns (%)



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



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