

FUND PERFORMANCE

| ALFM MUTUAL FUNDS | PRICE | YTD |
|---|--------|--------|
| ALFM Money Market Fund, Inc. | 129.85 | 0.03% |
| ALFM Peso Bond Fund, Inc. | 370.01 | -0.29% |
| ALFM Dollar Bond Fund, Inc. | 480.81 | -0.63% |
| ALFM Euro Bond Fund, Inc. | 219.29 | 0.05% |
| ALFM Growth Fund, Inc. | 209.29 | -7.90% |
| Philippine Stock Index Fund Corp. | 737.70 | -7.98% |
| ALFM Global Multi-Asset Income Fund, Inc. | 0.99 | 1.02% |

| PAMI MUTUAL FUNDS | PRICE | YTD |
|------------------------------------|---------|--------|
| Philam Managed Income Fund, Inc. | 1.3143 | -0.52% |
| Philam Bond Fund, Inc. | 4.4416 | -4.16% |
| Philam Dollar Bond Fund, Inc. | 2.4431 | -3.73% |
| Philam Fund, Inc. | 15.9398 | -5.89% |
| PAMI Horizon Fund, Inc. | 3.5518 | -6.24% |
| Philam Strategic Growth Fund, Inc. | 450.14 | -7.94% |
| PAMI Equity Index Fund, Inc. | 43.0837 | -8.03% |
| PAMI Global Bond Fund, Inc.* | 1.0520 | -3.72% |
| PAMI Asia Balanced Fund, Inc.* | 1.1381 | -1.05% |

| OTHER BIMI MANAGED FUNDS | PRICE | YTD |
|---|--------|--------|
| Ekklesia Mutual Fund Inc. | 2.2374 | -2.55% |
| Solidaritas Fund, Inc. | 1.9961 | -4.68% |
| Affinity Global Multi-Asset Fund, Inc.* | 0.9786 | -2.65% |

*As of March 12, 2021

| ECONOMIC INDICATORS | LEVEL |
|---------------------|------------|
| USD/PHP | 48.54 |
| EUR/PHP | 57.913 |
| PSEi | 6,552.46 |
| Dow Jones | 32,953.46 |
| S&P 500 | 3,968.94 |
| FTSE | 6,749.70 |
| US 10Yr | 1.6055% |
| Brent | \$68.88 |
| Dubai | \$66.375 |
| Gold | \$1,731.67 |

NOTES FROM THE FUND MANAGER

Fixed Income

US Treasuries are inching back towards pre-pandemic levels on the back of the US President Biden's signed USD 1.9 Tn COVID-19 Relief Package. Over the weekend, Pres. Biden has called for vaccine eligibility for all adults in the US by May 1, boosting market's optimism on positive economic growth in the US for 2021. The 10 yr USTs ended last week about 8 bps higher at above 1.64%. This week, all eyes are on the US Federal Policy Meeting on March 18 where focus will be on the Fed's language and any changes in the US dot plot where markets expect a hike in early 2023.

It was a volatile week for local government securities as inflation fears and rising US Treasury yields continue to put pressure on local bonds. Market players had some trouble digesting PHP 463.318 Bn of the new 3 yr retail treasury bond with 2.375% coupon, immediately selling off these bonds when they started trading in the secondary market on March 9. The BTr also reissued Php 30 Bn of the 7yr paper 10-61 on the higher end of market expectations at an average rate of 3.732%, fueling the selling note and affirming the market's belief that yields could move higher. Yields on local government securities rose 25-50 bps week-on-week. Philippine Treasury bills were awarded 10-21 bps higher across all tenors in March 15's auction and demand has weakened over concerns of higher inflation. The 91-day, 182-day, and 364-day bills were awarded at 1.232%, 1.527% and 1.99% respectively. Investors remain cautious with no new positive catalysts in the local space, and look forward to the BSP Monetary Board meeting on March 25 to get more clarity on where rates can go from here.

Equities

The Philippine Stock Exchange (PSEi) closed at 6,559.08 ('21 est. PE of 18.0x) on March 16, down 3.07% week-on-week primarily as COVID-19 cases in the country continued to surge, with the latest daily increase exceeding 5,000 cases. During the trading week, investor flows pushed FGEN (+2.67%) to be the best performer, with AEV (-13.17%) being the worst performer. Average daily turnover for the trading week slightly dropped to Php8.02Bn, with significant retail volume observed as DITO continued to be the most highly traded stock, followed by index names ALI and BDO. Net foreign outflows for the past week amounted to USD 60.11 million. We expect the PSEi to trade at current levels as COVID-19 cases continue to rise, with support at the 200-day moving average of 6,450.

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