

FUND PERFORMANCE

ALFM MUTUAL FUNDS	PRICE	YTD
ALFM Money Market Fund, Inc.	130.80	0.76%
ALFM Peso Bond Fund, Inc.	372.58	0.41%
ALFM Dollar Bond Fund, Inc.	487.46	0.74%
ALFM Euro Bond Fund, Inc.	219.74	0.26%
ALFM Growth Fund, Inc.	226.79	-0.19%
Philippine Stock Index Fund Corp.	802.96	0.16%
ALFM Global Multi-Asset Income Fund, Inc.	0.97	-1.02%
ALFM Global Multi-Asset Income Fund, Inc. (PHP)	47.67	-0.19%

PAMI MUTUAL FUNDS	PRICE	YTD
Philam Managed Income Fund, Inc.	1.3164	-0.36%
Philam Bond Fund, Inc.	4.4358	-4.29%
Philam Dollar Bond Fund, Inc.	2.4431	-3.65%
Philam Fund, Inc.	16.7274	-1.24%
PAMI Horizon Fund, Inc.	3.7447	-1.15%
Philam Strategic Growth Fund, Inc.	487.44	-0.31%
PAMI Equity Index Fund, Inc.	46.7087	-0.30%
PAMI Global Bond Fund, Inc.*	1.0108	-7.50%
PAMI Asia Balanced Fund, Inc.*	1.0667	-7.26%

OTHER BIMI MANAGED FUNDS	PRICE	YTD
Ekklesia Mutual Fund Inc.	2.2489	-2.05%
Solidaritas Fund, Inc.	2.0872	-0.33%
Affinity Global Multi-Asset Fund, Inc.	0.9848	-2.00%

ECONOMIC INDICATORS	LEVEL
USD/PHP	50.850000
EUR/PHP	58.802940
PSEi	7,107.82
Dow Jones	34,378.34
S&P 500	4,350.65
FTSE	7,130.23
US 10Yr*	1.6118%
Brent*	\$83.65
Dubai*	\$80.679
Gold*	\$1,754.15

*As of October 11, 2021

NOTES FROM THE FUND MANAGER

Fixed Income

The US Senate has reached a deal on a short-term debt limit extension which will cover the US government operational expenses until early December. Surging oil prices sparked renewed inflation concerns with oil prices at the highest levels in seven years as OPEC+ maintains its limits on oil supply. WTI oil climbed to USD 80.48 per barrel on Oct 11 amid the rebound in global demand. On the data front, US jobs report missed market expectations with nonfarm payrolls increasing by 194k in September (vs 500k consensus). However, markets shrugged off the weak employment numbers. 10 yr US Treasury yields rose 13 bps week-on-week, closing at 1.614% on October 8. Markets await US inflation data out on Oct 13 and last month's Federal Open Market Committee (FOMC) meeting minutes on Oct 14.

In the local space, government securities yields continue to rise as the market tracked the surge in US Treasury yields. Week-on-week, 3yr PHP government bonds rose by about 7 bps, 5-10yr bonds rose 15-20 bps, while 20 yr bonds rose about 12.5 bps. Philippine Treasury bill yields remain relatively unchanged in the Oct 11 auction, but it can be noted that volume of bids have been declining given that the secondary market now has good supply of treasury bills. On Oct 12, the Bureau of the Treasury fully awarded PHP 35 Bn of FXTN 5-77 at an average yield of 3.576%, much higher than secondary market levels. Bond market players remain defensive and sentiment is unlikely to improve in the near term.

USD/PHP rose 10 cents week-on-week, closing at 50.80 on October 11, on broad USD strength amid rising US Treasury yields. Philippine trade data is due Oct 12 where markets expect improvement in both import and export activities.

Equities

The Philippine Stock Exchange (PSEi) closed at 7,107.82 ('21 est. PE of 20.5x) on October 12, up 1.81% week-on-week mainly due to positive sentiment on daily COVID-19 cases trending lower, which may prompt the government to ease restrictions further in Metro Manila. During the week, BDO (+13.07%) was the best performer, along with other bank and property names as investors looked into cyclicals for re-opening plays, while CNVRG (-16.79%) was the worst performer due to profit taking and due to the lock-up expiration on shares ultimately owned by private equity firm Warburg Pincus. Average daily turnover for the trading week rose to Php10.57Bn in light of the PSEi off-cycle re-balancing last Friday which saw WLCON replacing FGEN in the index, with FGEN, WLCON, and CNVRG being the most highly traded stocks. Net foreign selling for the week amounted to USD23.1Mn. We expect the market to trade higher in the short term, with the index likely to test the 7,200 level.

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