PESO GLOBAL TECHNOLOGY FUND

As of January 31, 2024

Key Information and Investment Disclosure

FUND INFORMATION

Launch Date	January 22, 2020	Net Asset Value per Unit (NAVPU)	PHP 1.957638
Bloomberg Ticker	ILPGTEF PM Equity	Total Fund NAV (Mn)	PHP 5,085.43

INVESTMENT OBJECTIVE AND STRATEGY

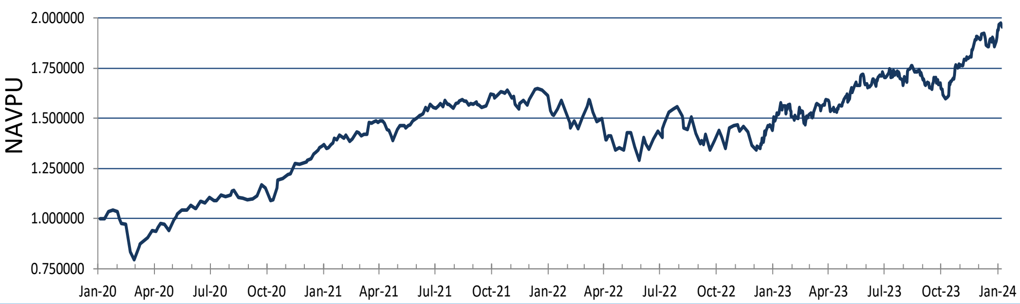
The Peso Global Technology Fund seeks to achieve long-term capital appreciation by investing majority of its assets in a local domiciled fund whose underlying investment is exposed to equity securities of companies throughout the world that derive or benefit significantly from technological advances and improvements.

RISK PROFILE

As an asset class, Equity investments have the highest risk profile in the universe of funds of InLife. In this asset class, the Peso Global Technology Fund is **highly aggressive** as it seeks to invest both in established technology companies but also in the future technology winners. This fund is suitable for investors seeking peso-denominated global investments who have a deep appreciation of the risk and rewards of investing in a specific sector of the equities market.

FUND PERFORMANCE AND STATISTICS

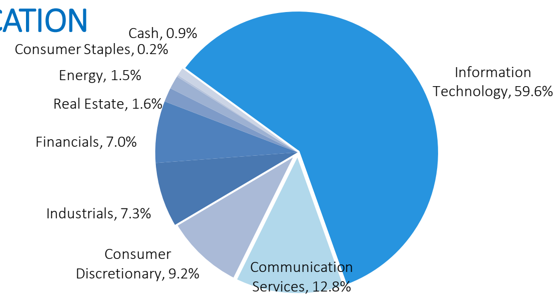
Purely for reference purposes and is not a guarantee of future results



YTD	1.92%
YOY	28.17%
3 YRS	45.26%
Since Inception	95.76%

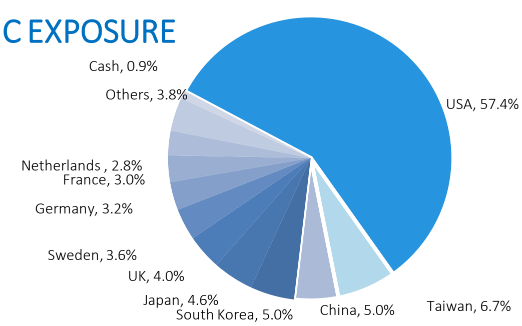
ASSET ALLOCATION

(Target Fund)



GEOGRAPHIC EXPOSURE

(Target Fund)



TARGET FUND'S TOP HOLDING COMPANIES

Microsoft Corp

Taiwan Semiconductor Mfg Co Ltd

Apple Inc

Ericsson

Amazon.com Inc

Alphabet Inc

Qualcomm Inc

Autodesk Inc

Samsung Electronics Co Ltd

Texas Instruments Inc

MARKET REVIEW

Global equities advanced marginally in January (albeit with narrow market breadth), as strong economic data further fueled hopes of a 'soft landing'. Investor optimism was slightly dampened at the end of the month with the Federal Reserve's less dovish stance at its January meeting. At a regional level, Japan and the US emerged as the best performers. Japanese equities rallied as uncertainty around the economic impact of the New Year's Day earthquake led markets to reassess the likelihood of a revision in the Bank of Japan's ultra-easy policy settings in the near term. US equities were buoyed by the continued rally in the 'Magnificent Seven' stocks. At a sector level, information technology led the rally, underpinned by strong performance in the software and semiconductor industries, followed by communication services. Meanwhile, materials declined the most, reflecting muted demand from China. Oil prices rallied as tensions in the Middle East worsened and disruption to shipping through the Suez Canal continued. From a style perspective, growth stocks outperformed their value counterparts, while large-cap stocks fared better than small and mid-cap. Among IT sub-sectors, semiconductors & semiconductor equipment, software, and IT services were the best performers, while the technology hardware, storage & peripherals segment was the leading decliner.

FUND PERFORMANCE The Target Fund returned 1.7% during the month, compared to 4.9% for the comparative index. Stock selection in the semiconductors & semiconductor equipment segment held back relative returns. Security selection was positive in the entertainment segment, while the underweight stance in the technology hardware, storage & peripherals industry also added relative value. At a stock level, the lack of exposure to semiconductor group Nvidia held back relative performance as its shares rose supported by positive expectations over its artificial intelligence (AI) offerings. While the Fund Manager is seeing mainstream adoption of AI and growing data center demand for graphics processing units (GPUs), there are good reasons for caution regarding the stock. While acknowledging Nvidia's significant competitive advantages and scarcity value, they still think stock valuations are overdone. Meanwhile, shares in Swedish telecommunications equipment maker Ericsson (LM) Tele fell after a broker downgrade, which cited unappealing valuations and struggling radio access networks. Companies such as Ericsson have been hit by a slowdown in spending by telecommunication companies, but the long-term thesis remains intact as its core networks business remains robust with multiple tailwinds in the form of current and future technology advantages compared to competitors, market share gains, and strong operational delivery. The position in power management IC designer Silergy also fell, but the company is well positioned to benefit from the localization trend and is currently under-earning, but the cycle seems to be bottoming and is expected to improve. On a positive note, the underweight stance in consumer technology major Apple contributed to returns as its shares amid concerns over weakening iPhone 15 sales and broader hardware sales projections. The lack of exposure to computer processor maker Intel added to relative performance as its shares fell after the company reported fourth-quarter earnings results and provided revenue and earnings guidance below expectations. Streaming major Netflix added value after the company announced that it signed up 13.1 million customers in the final three months of 2023, its best quarter of growth since the early days of the pandemic. The strong tally beat projections in every region of the world.

FUND POSITONING In an environment where some parts of the technology sector have re-rated meaningfully, the Fund Manager's focus is on valuations, company fundamentals, and earnings quality. As far as the AI theme is concerned, he is on the lookout for businesses that will fundamentally benefit from AI long-term but are underappreciated in the short term. AI beneficiaries buoyed by the market today are a very narrow set of businesses trading at full valuations - they are those associated with key building blocks for data center infrastructure (Nvidia, Advanced Micro Devices, Broadcom, and Arista, for example) and application software (Microsoft). While avoiding these areas they have been increasing allocation to the semiconductor sector, via allocations such as Taiwan Semiconductor Manufacturing (TSMC) and Samsung Electronics as he believes they are underappreciated beneficiaries of the AI trend. He also likes data management and governance businesses such as Informatica and Elastic as data accessibility, observability, governance, etc. is key for AI. He also likes IT service companies with strong domain expertise and client relationships that could potentially take their customers on an AI journey. Outside of AI, the Target Fund is exposed to pockets where there is scope for demand recovery from high inventory overhang, such as the smartphone and network infrastructure segments. He also likes high-quality industrial software businesses that are set to benefit from the under-penetrated digitization trend. Examples include Autodesk, PTC, etc.

ADDITIONAL INFORMATION

Feeder Fund	ATRAM Global Technology Feeder Fund		
Launch Date	April 30, 2018	Net Asset Value per Unit (NAVPU)	PHP 283.307805
Bloomberg Ticker	ATRGTEC:PM	Total Fund NAV (Mn)	PHP 6,721.88
Target Fund	Fidelity Global Technology Fund	ISIN	LU1046421795
Launch Date	September 01, 1999	Net Asset Value per Unit (NAVPU)	USD 51.54
Bloomberg Ticker	FFGTAAU:LX	Total Fund NAV (B)	USD 20.50