

FUND INFORMATION

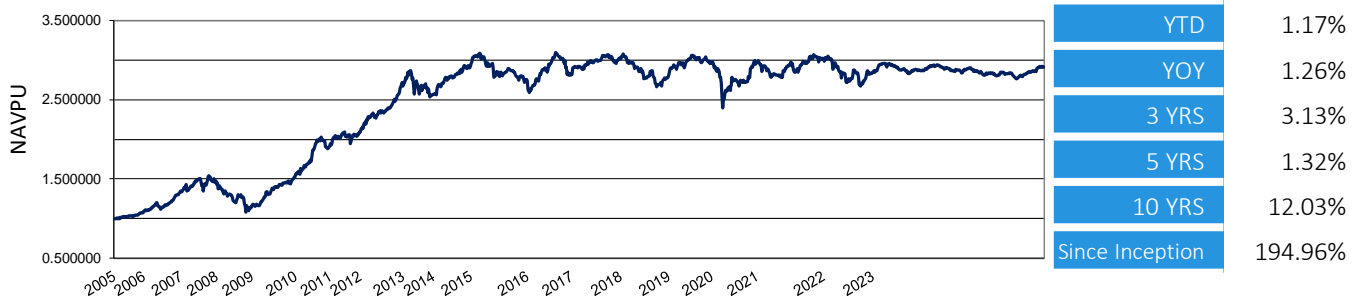
Launch Date	March 15, 2005	Net Asset Value per Unit (NAVPU)	PHP 2.949647
Bloomberg Ticker	ILBALAF PM Equity	Total Fund NAV (Mn)	PHP 1,853.89

INVESTMENT OBJECTIVE AND STRATEGY The Balanced Fund invests in government securities, bonds issued by, and term loans extended to, prime Philippine corporations, and short-term money market instruments, and in prime rated stocks that are listed in the Philippine Stock Exchange.

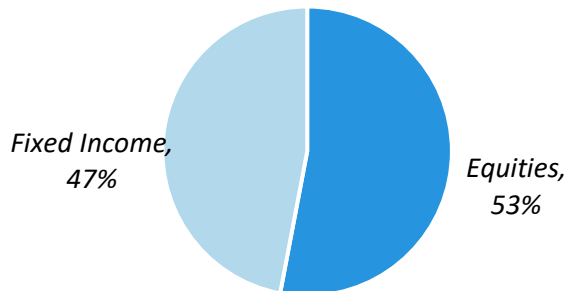
RISK PROFILE As an asset class in the universe of funds of InLife, the combined exposure of Fixed Income and Equity securities reflects a **moderate risk profile that lies between conservative and aggressive**. Suitable for investors who have a higher tolerance of risk than a Fixed Income Fund but lower volatility than an Equity-Equity fund would provide.

FUND PERFORMANCE AND STATISTICS

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



ASSET ALLOCATION



The Balanced Fund is invested in the Insular Life WB - Equity Fund and the Insular Life WB - Peso Fixed Income Fund

MARKET REVIEW In January, local yields saw an average increase of 10 bps. Yields on medium to long-term bonds, such as the 5Y and 10Y, rose by 14bps to 6.075% and 17bps to 6.175%, respectively. This uptick occurred as market participants reassessed positioning in response to the Fed and BSP's push back against early rate cut expectations, leading to waned market optimism.

The BSP is scheduled to hold its first meeting next month, with expectations leaning towards maintaining policy rates. Meanwhile, CPI in December continued to moderate to 3.9%yoy, now within the BSP's target range of 2-4%. Further, the Q4 GDP figures underscored the economy's resilience, posting a 5.6% growth compared to 5.2% expected, indicating the economy's ability to sustain current policy rates. This economic backdrop provides sufficient flexibility for the BSP to maintain policy rates steady until Fed begins to pivot, thereby maintaining a healthy interest rate differential and avoiding unnecessary downward pressure on the Peso.

Further, there are sizeable Retail Treasury Bonds (RTB) with a total amount of close to Php 700Billion set to mature in March and BTr is expected to issue new RTB next month to offset these maturities. Local bond auctions during the month were also awarded at higher average rates amid the upcoming issuance.

Factors influencing monetary policy decision both in the U.S. and domestically are expected to be closely monitored. It will be crucial to sustain disinflation levels within the BSP's 2-4% target, given the challenge of potential volatility amid lingering concerns on the impact of El Nino on food and energy prices.

MARKET REVIEW (cont'd) The Philippine Stock Exchange Index (PSEi) was up 3.0% month on month closing at 6,646.44. The Santa Claus rally may have carried over to the new year as investors continued to push the market on the back of improving macroeconomic conditions. Foreign flows kept coming as well, with net foreign buying for the month settling at Php4.5 billion.

PHL inflation for Dec2023 eased further at 3.9%, an improvement from 4.1% the previous month and better than consensus estimates of 4.0%. Moreover, 4Q2023 GDP of 5.6% also beat expectations of 5.5%, while the latest unemployment rate of 3.6% was a record low.

Optimism may continue at least in the short term as inflation looks on track to fall within the 2%-4% BSP target range, making a strong case for an imminent rate cut. Nonetheless, the market may still be vulnerable to profit taking given risks of a relapse in inflation and the current economic challenges of China.