

Fund Manager's Report

For the month of April, shares are down to 79.96 (-2.2%), outperforming the PSEi TR which lost 2.7% MoM.

Global markets rallied this month as Wall Street continued to shine despite U.S. inflation coming in higher than expected at 3.1% (vs. 2.9% consensus). Investors anticipate a soft-landing narrative in the U.S. economy, with consumer spending remaining strong. On the local front, core inflation slowed to 3.6%. The BSP maintained its benchmark interest rate at 6.5% and is expected to remain hawkish for an extended period due to upside inflation risks, along with US Fed uncertainty to implement monetary easing.

Despite these challenges, the Philippines sustained its momentum in 1Q24 as the economy expanded 5.7%, higher than the 5.5% in 4Q23, driven by steady household spending and exports. According to a recent study by BMI, a Fitch Solutions company, the Philippines' GDP is projected to grow by 6.2% in 2024 (vs 5.6% in 2023), underpinned by resilient domestic consumer spending and a rebound in investment activities. Domestic macro data remains healthy, with cash remittances in 2023 reaching a record high (+2.9% YoY) to USD 33.5bn. Foreign Direct Investment (FDI) inflow doubled in January, reaching USD 907 million, primarily due to a surge in net investments in debt instruments, which nearly tripled to USD 820 million in January. The PMI in April expanded to its highest level in five months, reaching 52.2 from 50.9 in March, with new orders seeing the fastest growth since November 2023. Tourism arrivals increased 24% YoY in Jan 2024, reaching a new post-COVID peak at 83% of pre-pandemic levels. Bank loan growth remained steady at 7% YoY in Dec 2023, driven primarily by consumer and vehicle loans. The automotive sector is seeing robust growth, with new car sales up 15.5% YoY in Jan 2024. Bank asset quality also improved, with the NPL ratio decreasing to 3.23%. Loan growth is expected to accelerate to 9.2% for the year, which could see a boost from BSP rate cuts in the second half of 2024.

Our bank reported strong 1Q results, with net profits up 15% to PHP 1.70bn from 1.48bn, and an ROE of 10%. Net Revenues were up 28% to 10bn while, net interest income increased by 34% to 8.2bn. Total assets grew by 19%, with loans also up 19%. Our oil refiner saw net profits rise by 16%, with consolidated volume from PH and MY operations up 23%, driven by retail volume growth of 11% and export volume growth of 90%. Our media company has gained a new influential shareholder, who bought an 8.5% stake, with the objective of helping the company turn around its business after several challenging years since losing its franchise in 2020. Meanwhile, our holding company's REIT arm will further expand its portfolio, announcing a PHP 13bn asset infusion in exchange for shares. Our holding company continues to capitalize on the benefits of the REIT vehicle structure.

Our companies saw a strong start this year despite economic challenges. We foresee headline inflation trending higher as external factors push non-core prices up, but remain positive as core inflation continues its downtrend, giving our BSP the much needed capacity to cut rates if needed to support the economy.

MBG Equity Investment Fund, Inc.

Performance MBG Equity Investment Fund, Inc. (MBG EIFI), net of all fees (in PHP)

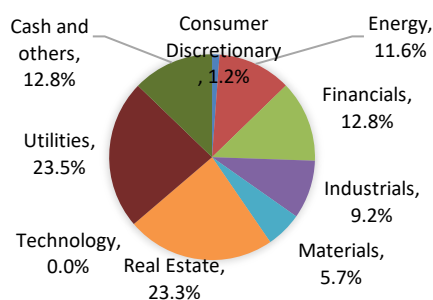
2022	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
MBG EIFI	-0.7%	-2.0%	-1.5%	-2.2%									-6.4%
PSEi TR ¹	3.0%	4.5%	0.3%	-2.7%									5.1%

¹ Philippine Stock Exchange Index Total Return;

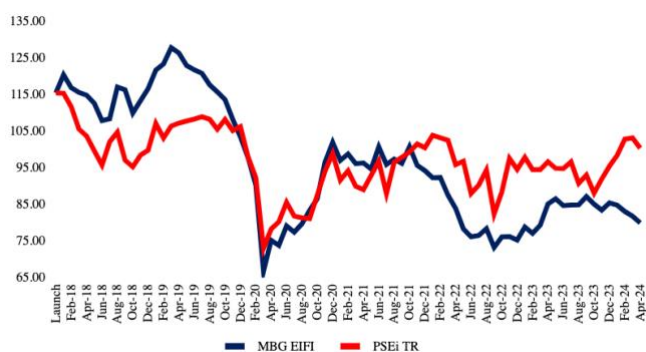
Portfolio Characteristics

	MBGEIFI	PSEi TR
Volatility (3σ, 1-day)	+/- 1.6%	+/- 2.5%
Correlation to PSEi	0.13	1.0
Beta	0.09	1.0
Stock holdings	87.2%	100.0%
Large cap (> \$3bln)	0.0%	97.0%
Mid cap (\$500mln to \$3bln)	88.1%	3.0%
Small cap (< \$500mln)	11.9%	0.0%
Philippines allocation	100.0%	100.0%
Vietnam allocation	Nil	Nil

Sector Allocation



MBG EIFI Performance vs. Benchmark (in PHP)



*Rescaled to 115.46 on 8 January 2018 (NAV of fund at launch date)

Class A Fund Statistics, since launch (08Jan18)

(net of all fees)	MBG EIFI	PSEi TR
Year-to-date	-6.4%	5.1%
3 months	-5.7%	2.0%
6 months	-6.0%	13.9%
1 year	-6.1%	3.8%
Launch (cumulative)	-30.7%	-13.1%
Launch (annualized)	-5.7%	-2.2%
Months with gains	43.4%	53.9%
Volatility of returns p.a.	9.1%	13.3%
1-yr Sharpe ratio (RFR 6%)	n.a.	n.a.

Fund Information

Launch date	January 8, 2018
Management fee	2%

Disclaimer: This report has been prepared by MBG Equity Investment Fund, Inc. (MBG EIFI) for information purpose only. It should not be considered as an offer to sell, or a solicitation of an offer to buy. All reasonable care has been taken to ensure that the information contained therein is not false or misleading, but no representation is made as to its accuracy or completeness. From time to time, MBG EIFI, its affiliated companies and any of its or their officers may have an interest in any transaction, securities or commodities referred to in this report. Also, MBG EIFI, or its affiliated companies, may perform services, for, or solicit business from, any company referred to in this report. Past performance is not necessarily a guide to future performance; the price of shares may go down as well as up and cannot be guaranteed. Investors should read the Prospectus before investing.

MBG Equity Investment Fund, Inc.

Performance fee	10% with High Water Mark
Minimum subscription	PHP 100,000
Dealing	Daily
Subscription notice	5 business days
Redemption notice	7 calendar days
Lock-up period and penalty	1 year; 5% penalty
Fund AUM	PHP 135 million
FATCA categorization/ GIIN	Registered deemed-compliant foreign financial institution under Model 1 IGA/ 6XW2RW.99999.SL.608
Investment manager	MBG Investment Management, Inc. (Licensed Investment Company Adviser) SEC C.R. No. 01-2017-00284
Custodian	Standard Chartered
Auditor	SGV & Co. (Ernst & Young Ltd)
Legal advisors	Mata-Perez & Francisco
Stock Transfer Agent	MBG Investment Management, Inc.
Fund Manager	Joseph Alvin C. Tan MBG Equity Investment Fund, Inc. info@mbgfunds.com www.mbgfunds.com Tel: +63 2 7956 7254 Fax: +63 2 7956 7065