

**MINUTES OF THE INVESTMENT COMMITTEE MEETING OF
THE BOARD OF TRUSTEES**

Meeting Details

Date and Time: May 19, 2022 at 10:00 A.M.

Location: Via Zoom Conference

Present: Ms. Florencia G. Tarriela (Chair)
Atty. Cornelio C. Gison
Ms. Alice Z. Cordero

Management Present: Atty: Leonarda D. Banasen
Ms. Sherry Lou A. Salazar (Director - Operations & Marketing)
Mr. Robert Anthony D. Sia (Accounting & Finance Head)

Metrobank: Ms. Mitzi Robles
Mr. Gino Guevarra

Call to Order and Determination of Quorum

After a quorum had been duly established, the Chair called the meeting to order.

Matters Discussed

The deck for the presentation of Metropolitan Bank & Trust Company is attached as Annex A. The slides cover portfolio update/fund performance, equities performance, outlook and strategy, and admin matters.

Atty. Gison commented that he agrees that a lot depends on the composition of President-Elect Marcos' economic team. He also mentioned he had heard that a significant number of foreign investors had divested from the country. Initial reports on the economic managers has been worrisome and he is hoping that the presumptive president would be guided given the looming national debt expected to reach P13 trillion by the end of the year.

Question was raised by Mr. Sia on where to put potential fresh funds at this time given the present situation. Mr. Guevarra answered that given rising inflation, interest rates have gone up significantly. The 10-year is trading at 6.5% already and what he would recommend is to shift to fixed income more on hold to maturity. Due to the high inflation he would also suggest to go in tranches as rates go higher.

As to Mr. Sia's query on REIT, Mr. Guevarra treats these as the usual fixed income earning instrument. The gain on stock price appreciation is the cherry on top. He would still prefer the safety of the fixed income class.

Ms. Salazar inquired as to the outlook for foreign exchange on whether now is the time to buy. Mr. Guevarra stated that he sees the dollar continue to appreciate but therein also lies the question on where to park it. He is not as confident to place them in money market as the yield is very minimal.

Moving on to admin matters, Mr. Sia's team will await the documents for updating and the committee will take up separately the decision to infuse an additional P10 million to meet the minimum balance required of P20 million. Mr. Sia inquired as to the repercussion of not meeting the minimum balance requirement and Ms. Robles answered approval would have to be sought to retain at the present balance. The minimum balance requirement only took effect this year.

Ms. Tarriela stated that the decision to infuse the additional P10 million would involve evaluating Metrobank's performance as against the other two fund managers.

Adjournment

Meeting was adjourned around 11:00 A.M.

Prepared by:



Robert Anthony D. Sia
Accounting & Finance Head