Cocolife Dollar Fund Builder, Inc.

August 2025

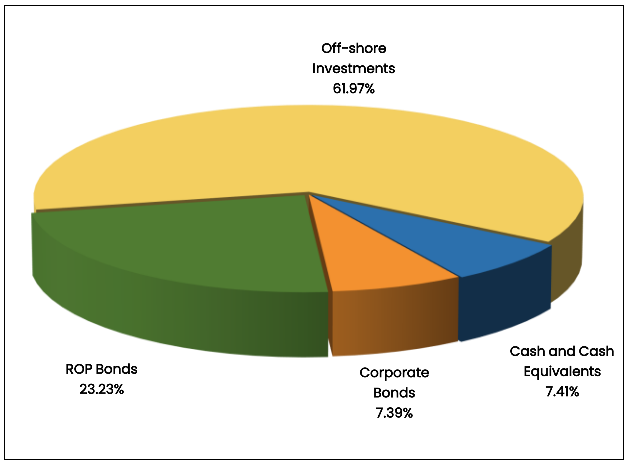
Fund Objective

Cocolife Dollar Fund Builder, Inc. is a growth and income-oriented mutual fund, which aims to provide investors with long-term capital appreciation. The Fund seeks to generate long-term total returns from interest income and capital growth by investing in a diversified portfolio of US Dollar denominated fixed-income and equity investments.

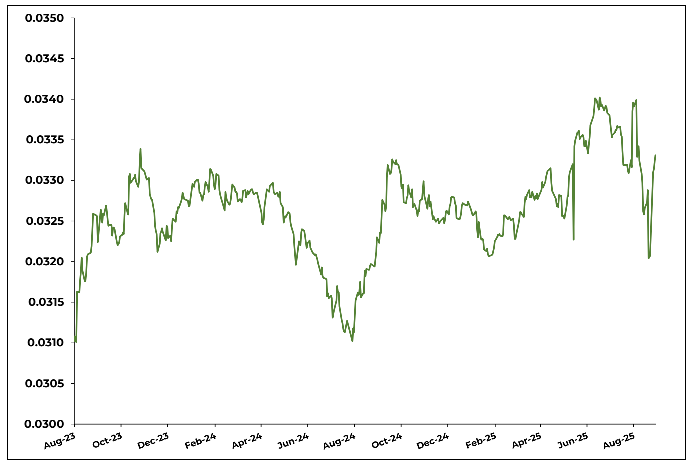
FACTS & FIGURES

Launch Date	2010	**Fund Size**	$ 1.18 M
Structure	Mutual Fund	**Sales Load**	not to exceed 1% of the NAVPS
Asset Class	Balanced	**Early Redemption Charge**	1% of the NAVPS
Domicile	Republic of the Philippines	**Minimum Holding Period**	180 calendar days
Currency	US Dollar	**Fund Manager**	Cocolife Asset Management Co., Inc.
Minimum Initial Investment	US$ 1,000.00	**Custodian Bank**	Landbank of the Philippines
Minimum Additional Investment	US$ 500.00	**External Auditor**	Punongbayan & Araullo

Portfolio Allocation



NAVPS Graph



FUND PERFORMANCE

August 31, 2025 NAVPS	Year-to-date Return
0.03332	3.77%

	Compounded Annual Return	Cumulative Return
One-year	-0.63%	-0.63%
Three-year	-0.58%	-1.74%
Five-year	-2.99%	-14.10%

* Figures of the funds' performance were based on the fund's actual returns as of August 31, 2025. Note, however, that historical performance is not a guarantee of future results.

Market Recap and Outlook

Prices of Philippine sovereign US-denominated bonds (ROP bonds) climbed 0.96% from its previous month's level while jumped by 3.83% from end-2024 values. On the other hand, US Treasury yields continued to observe a downside stretch as end-August values pummeled by 19 basis points (bps) from its previous month's end figures. Year-to-date, current Treasury yields were retracted by 30-bps from end-2024 data. Appetite for the façade eased as US President Donald Trump's move to fire a central bank governor raised concerns about the bank's independence. The US leader said he was firing Federal Reserve Governor Lisa Cook over claims of mortgage borrowing impropriety. Ms. Cook said Mr. Trump had no authority to fire her and she would not resign as her term is due to end in 2038. The hasty action could lead to a prolonged legal battle that risks resetting norms for the Fed's independence and a president's involvement in monetary policy. Although, Ms. Cook's departure could accelerate Trump's efforts to modify and restructure the Federal Open Market Committee (FOMC), which sets interest rate policy. Fresh prospects of a potentially more dovish US central bank helped to send shorter-dated yields lower, while the yield curve steepened as the long end showed a more modest drop. Albeit lurking inflation strain, most analysts and players are pricing in a quarter-of-a-point interest rate cut in the upcoming FOMC meeting in September, encouraged by Fed Chair Jerome Powell. Aside Ms. Cook's issue, Mr. Trump has regularly threatened to dismiss Chairman Powell and fired a top Labor Department official after accusing her, without evidence, of manipulating jobs data. He has backed away from the threat against Mr. Powell as he gets closer to the expiration of his term next May.

As for the technology sector, many stocks declined in August alongside market players speculated the limits to the growth of artificial intelligence (AI) companies. Most companies were impacted by the recent discourse about whether AI was in a bubble. Research from the Massachusetts Institute of Technology (MIT) advised that 95% of companies have yet to see a return on their investment in AI technology. Meanwhile, the healthcare industry sustained the conundrum driven partly by the Trump administration policies. Many investors and analysts cited that pressures to bring down US prescription drug prices to overseas rates, tariffs targeted at pharmaceuticals and cuts to areas such as health research funding and Medicaid are among the Trump regime actions clouding the outlook for the healthcare sector. Some speculations noted that a shift in capital away from technology and other massive companies could spark healthcare shares momentum.

The dynamics of our fund's portfolio may remain lamented alongside the worsening headwinds especially with the recent pronouncements from the Trump regime. The uncertainties of the policy direction of the US Fed rate cuts along the arising woes over the technology firms' outlook on AI may segment players in taking active to aggressive plays. On the flip side, the fears of an economic slowdown may aid healthcare shares as the sector is often viewed as a defensive area in shaky economic times. Unless the market foresees a widening horizon, enthusiasm and confidence for offshore and dollar-denominated markets may continue to be underwaters

RISK DISCLOSURE. *The value of investments in mutual funds is not guaranteed and will vary from day to day depending on the market value of the individual securities in its portfolio. Factors that can affect the value of these securities include economic conditions, interest rates, government regulations and taxations, and corporate performance.*

RISK MANAGEMENT. *Equity risk will be managed through prudent selection and avoidance of speculative and doubtful securities as well as portfolio diversification to reduce the impact of possible risks. The company shall manage interest rate risk by actively monitoring the prevailing interest rates. The fund maintains sufficient liquidity in the form of short term deposits which may be withdrawn anytime at minimal cost. Loans to private corporations will be limited only to high credit quality Philippine companies that meet the set standards.*

COCOLIFE Asset Management

August 2025

The Philippine Economy at a Glance

GROSS DOMESTIC PRODUCT	FOREIGN EXCHANGE	INFLATION RATE	UNEMPLOYMENT RATE	BSP POLICY RATES	CREDIT RATINGS
5.50% 2Q2025	August 2025 P57.13/$ (1.42% weaker FTM) (0.73% stronger YTD)	0.9% (JUL 2025) (based on 2018 prices)	3.7% (JUN 2025)	5.00% (lending rate) 4.75% (borrowing rate) 4.50% (overnight deposit)	**BBB+** (Standard and Poor's) **BBB** (Fitch Ratings) **Baa2** (Moody's Investor)

Macroeconomic Updates

UA&P: Philippine economy is seen to grow 5.8% in the third quarter. According to the University of Asia and the Pacific (UA&P), the country's economic growth may pick up in the third quarter despite higher US tariffs and "milder" typhoons. The organization said that despite the Trump tariffs, milder typhoon season will help accelerate the gross domestic product (GDP) expansion in the third quarter to 5.8%, given a low base in 2024. If realized, this would be faster than 5.2% in the third quarter of 2024 and 5.5% print in the second quarter. This forecast is also within the government's revised 5.5% to 6.5% target this year. UA&P cited that consumer spending remains strong aided by low inflation but limited by new US taxes on overseas Filipino workers (OFWs) remittances.

BSP cuts rates for 3rd straight meeting. The Bangko Sentral ng Pilipinas (BSP) has cut its key policy rate for a third meeting in a row and signaled another cut this year that may be the last for this monetary easing cycle. The Monetary Board reduced the target reverse repurchase rate by 25-bps to 5.00% from 5.25%. Markedly, this was also the lowest level in nearly three years since November 2022. Rates on the overnight deposit and lending facilities were also lowered by 25 bps each to 4.5% and 5.5%, respectively. To recall, the local central bank has so far lowered borrowing costs by a total of 125 bps since it began its easing cycle in August last year. For this year, it delivered two 25-bp cuts each at its last two meetings in April and June. The BSP projected inflation to average 1.7% this year, a tad higher than its 1.6% projection in June. BSP Governor Eli Remolona noted that the BSP can have space for one more cut. If the data develops the way the BSP think it will develop, then maybe one more cut this year, adding that this could mark the end of the current easing cycle.

Inflation is expected to speed up to 1.2% in August. The country's inflation rate is expected to grow faster in August to 1.2%, attributed to the higher electricity and transport costs and a spike in vegetable prices after monsoon rain battered crops. Even with the pickup, inflation is still expected to undershoot the BSP's 2.0% to 4.0% target range for a sixth straight month—a stretch of subdued price gains that could shape the central bank's next policy moves. If realized, the August figure may be higher than July's 0.9% increase and in line with the BSP forecast of 1.0% to 1.8%.

June remittances rise to six-month high. Remittances jumped by 3.7% year-on-year to $2.99 billion in June from $2.88 billion. Notably, this was the highest value of monthly remittances seen in six months or since the $3.38 billion logged in December last year. For the first semester, the latest figure went up by 3.1% to $16.75 billion from the $16.25 billion recorded in the comparable year-ago period.

July trade deficit narrows to two-month low. The country's exports grew by 17.3% year on year in July to $7.34 billion, higher than the 0.1% expansion a year earlier. However, this pace was slower than the revised 26.9% growth in June. It was the slowest pace for exports in two months or since the 15.5% growth posted in May. Meanwhile, the country's imports slowed by 2.3% year on year to $11.38 billion in July, as well as the 15.7% increase in June. Notably, this was the weakest pace in two months or since the 1.1% drop in May. Accordingly, the country's trade balance reached a deficit of $4.05 billion in July, 17% smaller than the $4.88-billion deficit in July last year. July saw the narrowest trade deficit since the $3.63-billion gap in May. For the first seven months, the trade deficit narrowed to $28.46 billion, 4.9% lower from the $29.93-billion deficit a year ago. In the January-to-July period, exports increased by 13.9% to $48.62 billion, while imports rose by 6.1% to $77.09 billion.

Budget deficit shrinks to P18.9B. The government's budget balance swung to a deficit, although it sharply narrowed in July amid the sluggish pace of revenue collection and spending. Data from the Treasury showed that the budget gap shrank by 34.42% to P18.9 billion in July from P28.8 billion in the same month a year ago. On a monthly basis, the fiscal gap plunged by 92.17% from the P241.6-billion deficit in June. In July, revenues went up by 3.26% to P472.3 billion from P457.4 billion in the same month last year, as higher tax collections offset the decline in nontax revenues. Meanwhile, government spending inched up by 1.02% to P491.2 billion in July from P486.2 billion in the same month in 2024. In the first seven months of the year, the Philippines' budget deficit ballooned by 22.04% to P784.4 billion from the P642.8-billion gap last year, as expenditure growth outpaced revenues. The Treasury said the budget deficit was on track to hit the revised P1.56-trillion full-year deficit ceiling.

Peso continues to weaken amidst ambiguity in Fed rate cut discourse. The Philippine peso settled at P57.13/dollar last August 29. The foreign exchange market initially dropped amid a weaker dollar overnight due to increased dovish Fed bets. The US Commerce department reported that its Personal Consumption Expenditures (PCE) price index rose 0.2% last month after an unrevised 0.3% rise in June. The Fed tracks the PCE price measures for its 2% inflation target. With this, the CME FedWatch tool and bets among market players noted that it may keep the US Fed on track for a widely expected rate cut at its upcoming meeting on September 16-17. Money markets are pricing in an 87% chance of an easing, up from 63% a month earlier. US President Trump is trying to reshape the Fed after repeatedly criticizing the central bank and its chair, Jerome Powell, for not cutting interest rates.

UNITED FUND, INC. **COCOLIFE FIXED INCOME FUND, INC.** **COCOLIFE DOLLAR FUND BUILDER, INC.**

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