



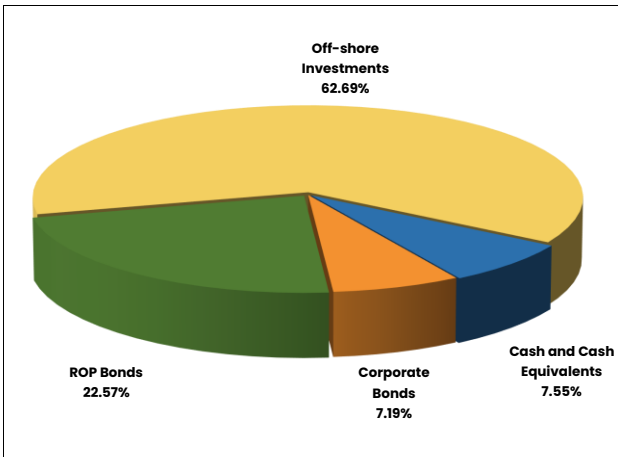
Fund Objective

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.

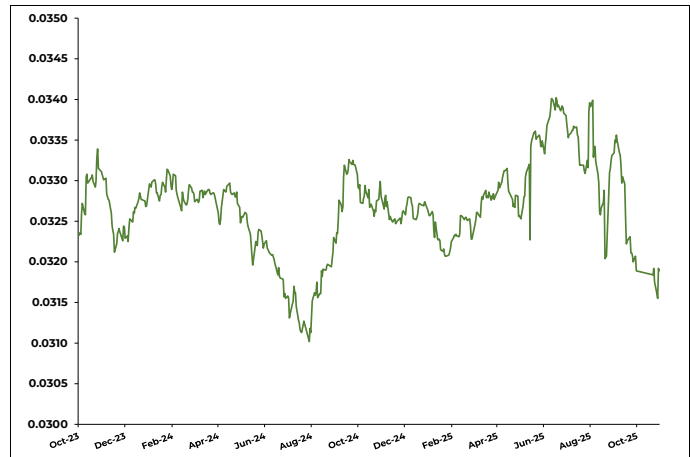
FACTS & FIGURES

| | | | |
|--------------------------------------|-----------------------------|--------------------------------|-------------------------------------|
| Launch Date | 2010 | Fund Size | \$ 1.23 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

| | |
|-------------------------|----------------------------|
| October 30, 2025 | Year-to-date Return |
| NAVPS | |
| 0.03471 | 8.10% |

| | Compounded Annual Return | Cumulative Return |
|-------------------|--------------------------|-------------------|
| One-year | 4.39% | 4.39% |
| Three-year | 3.43% | 10.65% |
| Five-year | -2.27% | -10.84% |

* Figures of the funds' performance were based on the fund's actual returns as of October 30, 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) went up 4.95% from end-2024 prices in October as yields were significantly lower by 81 basis points compared to 2024 levels. Meanwhile, the yields of US Treasury notes dropped further by 45 bps from the end-2024 data following the decision of the US Federal Reserve to bring down rates by a quarter of a point to a range of 3.75% to 4.00% in a subsequent turn of events. This general decline reflects a strengthening in bond prices, primarily fueled by expectations of further monetary easing from the Federal Reserve and a risk-off sentiment driven by geopolitical and domestic policy concerns.

The primary drivers of the US bond market were a combination of monetary policy signals, geopolitical risks, and domestic political uncertainty. Firstly, the Federal Reserve (Fed) delivered a 25-basis point rate cut during the month, and although the accompanying rhetoric was cautious about a further December cut, the market took the action as confirmation of an easing cycle. Secondly, escalating US-China trade tensions, including new tariff threats and China's export controls on rare earth minerals, sparked a significant "flight-to-safety" demand, pushing bond prices up and yields down. Finally, the ongoing US government shutdown created a "data vacuum," leading to the delay of critical economic reports (like nonfarm payrolls), which contributed to low market volatility and uncertainty, prompting a cautious shift into safer assets like Treasuries.

Beyond direct policy and political risks, the bond market reacted to evolving economic narratives. Softening domestic inflation data gave the Fed the room to cut rates, but strong corporate earnings and resilient, though slowing, economic growth data contradicted the recession fears that typically drive yields lower. Supply dynamics were also in focus, as the Treasury announced a lower net marketable borrowing estimate for the quarter, primarily due to a higher cash balance. While this reduced short-term supply pressure, the structural issue of large budget deficits and high long-term debt kept a floor under the longer-end of the yield curve, as investors demanded a higher term premium to hold long-duration bonds.

Investor sentiment in the dollar market was a mix of risk-off fear and bullish rate-cut expectations. Local investors displayed a strong demand for long-duration bonds, driving yields lower as they sought to lock in rates ahead of anticipated cuts and hedge against recessionary risks amplified by trade tensions. Foreign investors remained significant participants; while one data point suggested net selling of US assets, demand for Treasuries generally held up, given their role as the ultimate safe haven in times of global uncertainty. The market was positioning for a high probability of another December rate cut, reflected in the pricing of the yield curve, despite the Fed's attempts to temper these expectations following the October meeting.







Meanwhile, the technology sector demonstrated strong performance in the month, leading to broader market indices. The Nasdaq Composite saw an impressive jump, continuing its rally and extending its year-to-date surge. This growth was largely powered by the ongoing fervor around the Artificial Intelligence (AI) theme, with many investors flocking back to the sector's mega-cap "Magnificent Seven" stocks. The enthusiasm for AI, coupled with the Federal Reserve's recent rate cut, provided a highly supportive backdrop for tech equities, which tend to benefit from lower interest rates. In contrast, health care stocks during October were more mixed and defensive compared to the surging tech sector. While the broader market advanced, the Health Care Select Sector was less of a front-runner, though individual company performance varied widely. The sector continued to grapple with an unexpected acceleration in healthcare utilization, which negatively impacted the stocks of managed-care health insurers while providing a tailwind for health care facilities and medical-device makers.

U.S. Treasury yields are expected to trade sideways to lower in the coming month amid rising odds of another Fed rate cut later this year and a continued dovish outlook. Additionally, investors will be closely monitoring developments in the U.S.-China trade talks for further guidance.

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.

The Philippine Economy at a Glance

| GROSS DOMESTIC PRODUCT | FOREIGN EXCHANGE | INFLATION RATE | UNEMPLOYMENT RATE | BSP POLICY RATES | CREDIT RATINGS |
|--|--|--|---|---|---|
|  4.00% 3Q2025 | October 2025  P58.85/\$ (1.13% weaker FTM) (1.73% stronger YTD) | 1.7% (OCT 2025) (based on 2018 prices)  |  3.8% (SEP 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

ADB maintains 5.6% growth forecast for PH in 2025. The Asian Development Bank (ADB) kept its 2025 economic growth forecast for the Philippines unchanged, expecting strong domestic demand to sustain growth despite global trade and geopolitical risks. The ADB projects the Philippine economy will expand by 5.6% this year, supported by investments and an accommodative monetary policy. For 2026, the growth forecast is 5.7%, matching the country's actual growth rate in 2024.

BSP sees September inflation at 1.5%-2.3%. The Bangko Sentral ng Pilipinas (BSP) estimates that September inflation likely fell between 1.5% and 2.3%. This forecast suggests inflation may have finally landed back inside the BSP's 2-4% target range for the first time since February. While the lower end of the forecast (1.5%) would mean inflation held steady from August, the upward pressure for the month primarily came from higher prices for rice, fish, and fuel.

BSP likely to keep key rates steady. The BSP is widely expected to keep interest rates unchanged at its October Monetary Board meeting. This decision would signal a pause in the easing cycle that began last August, during which the central bank has already cut rates by a total of 1.5 percentage points. While soft inflation has previously given the BSP room to lower borrowing costs and boost growth—which has been strained by global factors like higher U.S. tariffs—analysts now see risks related to the sliding peso and the need for clearer economic data as reasons for the central bank to temporarily stop its rate cuts.

Gov't budget utilization rate hits 94% in July. The Department of Budget and Management (DBM) reported that the government's cash utilization rate remained strong at 94% through the end of July, matching the performance from the previous year. This means that the National Government, local governments, and government-owned corporations used ₱2.81 trillion of their cash allocations, leaving ₱178.16 billion unused.

Philippines' GIR slightly rises in August due to gold prices. The Philippines maintained a strong buffer against external shocks, with its Gross International Reserves (GIR) settling at \$105.9 billion in August, up from \$105.4 billion in July. According to the central bank, this increase was primarily driven by the twin factors of higher gold valuation and investment income. This amount is more than adequate, covering 7.2 months of imports and services payments, and providing 3.4 times the coverage for the nation's short-term foreign obligations.

Trade deficit hit \$24.41b in first six months. Despite a strong 9.2% increase in external merchandise trade, which hit \$106.99 billion in the first half of 2025, the Philippines continues to struggle with a significant trade deficit. Although the \$24.41 billion shortfall was 2.6% lower than the previous year's gap, the country's imports still outpaced its exports. This wide deficit—the difference between the value of imports and exports—negatively affects the national balance of payments and the foreign exchange rate. The United States remained the top destination for Philippine exports, while China was the largest source of imported goods.

PH books August dollar surplus. The Philippines posted a \$359 million BOP surplus in August, marking a turnaround from the \$167 million shortfall recorded in July. This surplus, the third this year, was primarily fueled by the central bank's strong returns on its investments abroad, which greatly improved the nation's external financial position. Although the overall year-to-date BOP remains in deficit due to the high cost of imports (trade imbalance), the monthly BOP position was supported by a resilient influx of dollars from overseas worker remittances, foreign loans, BPO revenues, and foreign investments. The August surplus, in turn, strengthened the country's Gross International Reserves (GIR), which rose from \$105.4 billion to \$107.1 billion by the end of the month.

FDI inflows down to lowest in 6 months. Net FDI into the Philippines hit a six-month low in June, falling to \$376 million. The central bank attributed the 17.8% year-on-year drop to a significant reversal in equity capital investments, which saw more money pulled out than put in. Specifically, the country registered a net equity capital outflow of \$57 million in June, compared to a net inflow the previous year. This was driven by a dramatic spike in withdrawals, which reached \$187 million. Meanwhile, investments in debt instruments, mainly intercompany loans, provided a partial cushion, rising 9.3% to \$305 million.

The peso amid market uncertainties. The Philippine Peso closed at P58.196 to the dollar on September 30, representing a 3.53% depreciation from the previous month. This was the peso's weakest closing in two months or since its P58.32/dollar finish on July 31. The peso sank to a fresh two-month low against the dollar as market sentiment remained negative due to concerns over corruption involving state infrastructure projects and a potential US government shutdown.

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