United Fund, Inc.

October 2025

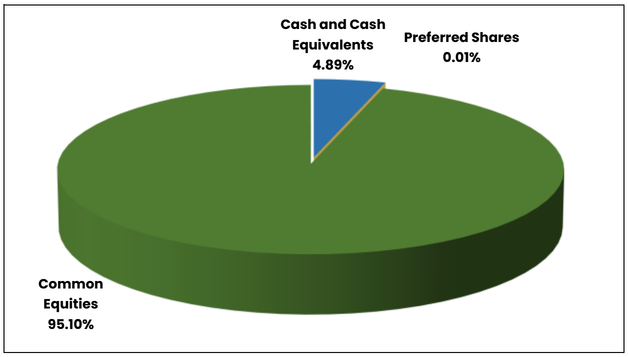
Fund Objective

United Fund, Inc. is a growth-oriented mutual Fund, which seeks to maximize income and maintain liquidity of investments, through a diversified portfolio of listed equity issues.

FACTS & FIGURES

Launch Date	1993	**Fund Size**	P 496.07 M
Structure	Mutual Fund	**Sales Load**	not to exceed 3% of the NAVPS
Asset Class	Equities	**Early Redemption Charge**	1% of the NAVPS
Domicile	Republic of the Philippines	**Minimum Holding Period**	180 calendar days
Currency	Philippine Peso	**Fund Manager**	Cocolife Asset Management Co., Inc.
Minimum Initial Investment	PHP 1,000.00	**Custodian Bank**	Landbank of the Philippines
Minimum Additional Investment	PHP 500.00	**External Auditor**	Punongbayan & Araullo

Portfolio Allocation



SECTOR EXPOSURE OF EQUITY

Electricity, Energy, Power & Water	25.92%
Holding Firms	20.95%
Banks	17.70%
Property	13.79%
Transportation and Others	10.92%
Retail	3.78%
Telecommunications	2.04%
	95.10%

TOP 10 EQUITY HOLDINGS

Company	Sector	% of the Fund
Philippine National Bank	Banks	14.58%
JG Summit Holdings, Inc	Holding Firms	14.40%
ACEN Corporation	Electricity, Energy, Power & Water	12.38%
Manila Water Company, Inc.	Electricity, Energy, Power & Water	10.13%
Bloomberry Resorts Corporation	Services	9.68%
SM Prime Holdings, Inc.	Property	5.05%
Ayala Corporation	Holding Firms	4.88%
Megaworld Corporation	Property	4.39%
SSI Group, Inc.	Services	3.78%
Ayala Land, Inc.	Property	3.62%

Market Recap and Outlook

The Philippine Stock Exchange Index (PSEi) faced significant headwinds in October and finished the month at 5,929.68, resulting in a monthly loss of 0.40% from the end-September level. Year-to-date, the index has declined by 9.18% from its end-2024 closing level, reflecting the market's overall weakness amid persistent economic and geopolitical challenges. The Philippine Stock Exchange Index (PSEi) faced significant downward pressure throughout the month, continuing a generally bearish trend and closing the month with a decline. The index saw volatility, with some attempts at bargain hunting and a slight upward bias early in the month, but sustained selling pressure ultimately prevailed. The index frequently traded around the critical 6,000 support level, and towards the end of the month, it plunged to its lowest levels in over three years, indicating a challenging trading environment.

The Philippine stock market's movement during the month was primarily driven by a confluence of local economic concerns and global headwinds. Domestically, there was notable worry over a slowing economy, evidenced by downward revisions of GDP growth projections for the Philippines, which were exacerbated by the impact of recent severe weather and a significant earthquake. Moreover, the peso's continued depreciation against the US dollar, which at one point hit a new all-time low, negatively impacted sentiment. The Bangko Sentral ng Pilipinas' (BSP) surprise 25-basis-point policy rate cut on October 9, aimed at addressing a slowing economy, also narrowed the interest rate differential, further weakening the peso and contributing to market cautiousness.

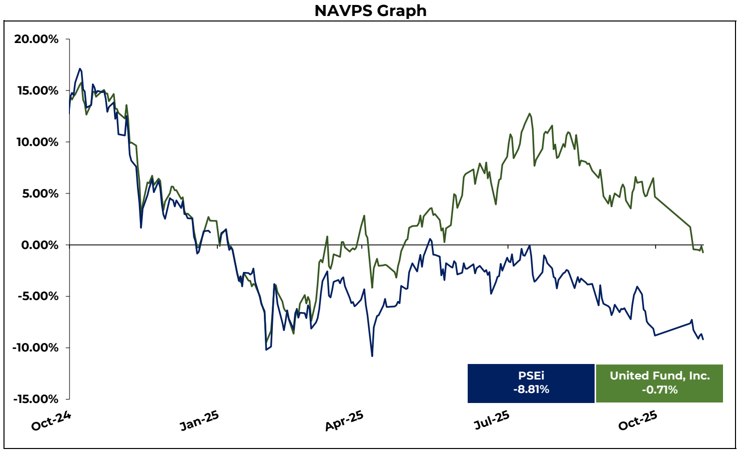
External factors played a crucial role in suppressing the local bourse. Global sentiment was cautious due to worries about the ongoing US government shutdown, the direction of the US Federal Reserve's monetary policy, and negative spillovers from Wall Street, particularly concerns over the valuation of the US artificial intelligence sector. Furthermore, domestic political issues, including escalating corruption scandals and social unrest stemming from the alleged misuse of government funds in infrastructure projects, created a risk-averse environment. These developments collectively fueled persistent selling pressure throughout the month.

Investor sentiment in October 2025 was overwhelmingly bearish and cautious. Local investors displayed risk aversion, especially considering the weakening peso and concerns about the domestic economic outlook and political instability. Foreign investors also contributed to the negative sentiment, as indicated by persistent selling pressure and the general decline in the index. The market's inability to sustain upward momentum and the index's repeated testing of and eventual break below key support levels highlighted a prevailing pessimism, with many investors holding back and awaiting clearer signals for a potential trend reversal.

The index will likely continue to trade within the 5,800–6,100 range as the market waits for fresh catalysts to lift sentiment. Bargain hunting may help prevent a decisive break below the 5,800-support level, while some investors could start positioning for the next trading year ahead of the holiday season. Any sign of de-escalation in the US–China trade tensions would also help ease investor uncertainty. However, persistent political noises from corruption probes and governance issues in infrastructure projects—may weigh on investor confidence and prolong risk aversion. Near-term sentiment will depend on inflation trends, peso stability, and monetary policy cues from the Bangko Sentral ng Pilipinas and the US Federal Reserve, while a clearer policy direction and political stability could provide the foundation for recovery in the medium term.

FUND PERFORMANCE

NAVPS Graph



October 30, 2025 NAVPS	Year-to-date Return
3.1407	-0.71%

	Compounded Annual Return	Cumulative Return
One-year	-10.26%	-10.26%
Three-year	2.24%	6.86%
Five-year	1.15%	5.89%

* 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.

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

Banks see slower PH growth outlook. Various financial institutions have slashed their Gross Domestic Product (GDP) growth forecasts for the Philippines for 2026, citing mounting domestic and external challenges. BMI Country Risk & Industry Research, a unit of the Fitch Group, made a significant cut, revising its 2026 GDP growth forecast to 5.2% from an earlier 6.2%. Meanwhile, the Asian Development Bank (ADB) trimmed its 2026 forecast slightly to 5.7% from 5.8%. Major factors include a domestic corruption scandal, weaker household consumption, external trade issues, and subdued investment appetite.

Local inflation steady in October. The Philippines' headline inflation rate in October held steady at 1.7%, unchanged from September and comfortably below the Bangko Sentral ng Pilipinas' (BSP) 2%-4% target, primarily due to a substantial slowdown in food price increases—especially for rice, vegetables, and meat—which offset upward pressure from other items. The subdued inflation reinforces the central bank's pro-growth monetary policy stance and supports market expectations for further policy rate cuts to stimulate domestic demand.

Unemployment eases in September. The local unemployment rate in September eased slightly to 3.8%, down from 3.9% in August, reflecting a resilient labor market driven by the typical pre-holiday hiring ramp-up in the services sector and the impact of recent typhoons that disrupted certain outdoor and weather-sensitive jobs. While the low unemployment rate indicates a strong capacity to absorb workers and supports robust private consumption, persistently high underemployment highlights ongoing issues with job quality and stability, posing a structural challenge to achieving high-income status and inclusive economic growth.

Gov't foreign borrowing drops sharply in recent quarter. The Bangko Sentral ng Pilipinas (BSP) reported that the Philippines government's approved public sector foreign borrowings in the third quarter of 2025 plummeted by 71.13% year-on-year, totaling only $1.10 billion, which included two medium- to long-term loans earmarked for social protection projects. This substantial decrease from the $3.81 billion borrowed in the same period last year is a result of a deliberate, strategic shift by the Department of Finance to front-load most of the year's commercial offshore financing earlier in 2025 and to subsequently favor domestic borrowing for the remainder of the year.

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.

Balance of Payments marks smaller surplus. The Philippine Balance of Payments (BOP) position registered a smaller surplus of $82 million in September, which was a sharp decline from the $359-million surplus in August, and the $3.526-billion surplus recorded in the same month in 2024. The September surplus, which was generated mainly from the BSP's net income on its overseas investments and the National Government's foreign currency deposits, did help narrow the year-to-date BOP deficit to $5.315 billion from $5.4 billion in August, though the BSP projects a full-year deficit of $6.9 billion for 2025.

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 fall to lowest in 6 months. Net FDI into the Philippines reached $1.3 billion in July, a significant surge from the previous month, but still representing a 7.5% decline compared to the $1.4 billion recorded in July 2024. The yearly contraction was primarily driven by a sharp drop in net investments in debt instruments; however, this was largely counterbalanced by a massive 450.6% year-on-year increase in net investments in equity capital and a modest gain in reinvestment of earnings.

Peso weakens amid market uncertainties. The Peso closed at P58.85/dollar on October 30, representing a 1.13% depreciation from the previous month and 1.73% weaker compared to the end-2024 close. This downward movement was primarily driven by a combination of domestic and external factors, the BSP's surprise interest rate cut early in the month signaled a dovish, pro-growth monetary stance, making the peso less attractive to foreign investors compared to the US dollar, persistent US dollar strength on the back of a resilient US economy, and heightened domestic uncertainty stemming from a widening current account deficit and a political scandal related to infrastructure spending, which collectively weakened market confidence in the Philippine currency's outlook.

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

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