SRI MC	Description	Person Liable	First Offense	Second Offense	Third Offense
Sec. 2 (c)	Unauthorized use of SRI, ESG, or any other similar or associated terms in the name and/or marketing materials of an investment company, or making false statements as to its qualification as an SRI fund or over-emphasizing sustainability or ESG features in any communication or advertising materials	Fund Manager	Reprimand	P20,000 plus P400 per day of continuing violation	P40,000 plus P800 per day of continuing violation
Sec. 9	Failure to report or delay in reporting a breach of recited ESG investment threshold, or inconsistency with sustainable investment objective of the SRI Fund within five (5) business days from discovery	Fund Manager	Reprimand	P20,000 plus P400 per day of continuing violation	P40,000 plus P800 per day of continuing violation
Sec. 9 (i) (ii)	Failure to rectify or delay in rectifying a breach of recited ESG investment threshold or inconsistency with sustainable investment objective of the SRI Fund within thirty (30) business days from discovery	Fund Manager	Reprimand	P100,000 plus P600 per day of continuing violation	P200,000 plus P1,200 per day of continuing violation

The Commission may, after due notice and hearing, suspend or revoke the registration statement of an SRI Fund and the Investment Company Adviser License of the Fund Manager in case of a fourth or succeeding offense for the same violation.

The foregoing penalties shall be without prejudice to any other actions and sanctions that may be taken or imposed by the Commission, such as for making an untrue statement of a material fact, or omission to state any material fact required to be stated or necessary to make statements not misleading, in any report or document filed by an SRI Fund with the Commission, pursuant to the Revised Corporation Code, Securities Regulation Code, Investment Company Act, SEC Memorandum Circular No. 21, Series of 2019 (Rules on Independent Oversight Entity), SEC Memorandum Circular No. 6, Series of 2005 (Consolidated Scale of Fines), any amendments thereto, and all the rules and regulations that the Commission may subsequently issue in the exercise of its mandates.

Section 14. Applicability of SRC, ICA and Other Rules — The provisions of the Securities Regulation Code, Investment Company Act, their respective implementing rules and regulations, and any other rules promulgated by the Commission insofar as these rules are not inconsistent herewith shall apply suppletorily hereto.

Section 15. Separability Clause - If for any reason, any provision of these Rules or any portion thereof or application of such provision or portion thereof to any person, group or circumstance is declared invalid or unconstitutional, the remainder of these Rules shall not be affected by such decision.

Section 16. Effectivity -These rules shall take effect immediately after publication in two (2) newspapers of general circulation in the Philippines.

Makati City, Philippines, 20 December 2022.

For the Commission:

EMILIO B. AQUINO
Chairperson

Annex A

Presentation of Investments
relative to the Sustainable Investment Objective of the SRI
Fund For the period ended ____________

	Current Year			Prior Year		
Investment	**Amount**	**% over NAV**	**% over ESG Portfolio**	**Amount**	**% over NAV**	**% over ESG Portfolio**
Sustainable Investment Objective A • Company X • Company Y • Company Z						
Sub-total						
Sustainable Investment Objective A • Company E • Company F						
Sub-total						
Total ESG Investments		*"(should be at least 2/3 of NAV)*			*"(should be at least 2/3 of NAV)*	
Non-ESG			N/A			N/A
Grand Total						

Annex B

Presentation of Investments of the Target Fund/s relative to the Sustainable Investment Objective of the SRI Fund (
Feeder Fund or Fund-of Funds only)
For the period ended ______________

	Current Year		Prior Year	
Investment	**Amount**	**% over NAV**	**Amount**	**% over NAV**
Sustainable Investment Objective A • Company X • Company Y • Company Z				
Sub-total				
Sustainable Investment Objective A • Company E • Company F				
Sub-total				
Total **ESG** Investments		*"(should be at least 2/3 of NAV)*		*"(should be at least 2/3 of NAV)*
Non-ESG				
Grand Total				

[1] *https://sdgs.un.org/goals*
[2] *https://www.unglobalcompact.org/what-is-gc/mission/principles*
[3] *https://www.eib.org/attachments/documents/mdb_idfc_mitigation_common_principles_en.pdf*
[4] *https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/green-bond-principles-gbp/*
[5] *https://www.climatebonds.net/standard/taxonomy*
[6] *Currently in the amount of Php2,000 pursuant to SEC M.C.3, s.2017*

Uncertainties cloud bond market

NEW YORK — US government bond investors hurting after the biggest annual decline in the history of the asset class are riding out yet another sell-off, as worries over persistent inflation cloud the prospects for an expected 2023 rebound.

Heavyweights such as Amundi, Vanguard and BlackRock turned bullish on bonds in recent weeks, on expectations that inflation has peaked and that a potential recession this year could push the US Federal Reserve to end its most aggressive rate hiking cycle in decades. Many investors have followed suit. December's BofA Global Research survey showed fund managers were the most overweight bonds versus stocks in nearly 14 years.

But while bonds rebounded in October and November, prices have retreated over the last few weeks, as investors digested stronger-than-expected US economic data and as China reopened from coronavirus disease 2019 (COVID-19) restrictions, which some believe could add to price pressures in the new year.

Falling prices have pushed up yields, which move inversely. Benchmark 10-year Treasury yields have climbed over 40 basis points (bps) since mid-December to nearly 3.9%, the highest in over a month. Two-year yields — which more closely reflect monetary policy expectations — hit an intra-day peak of 4.445% on Tuesday, their highest since November.

"The market seemed to have been getting ahead of itself expecting a pivot to occur from the Fed," said Michael Reynolds, vice-president of investment strategy at Glenmede. "It is coming to terms with the fact that the Fed is going to have to be tighter for longer, until they're really sure that they've got inflation back under control."

Among banks forecasting a decline in the benchmark 10-year yield this year are Deutsche Bank which sees the yield at year-end at 3.65% and Bank of America which expects a year-end 3.25% yield. Investors in futures markets believe the Fed will begin cutting rates in the second half, though the central bank has projected interest rates steadily rising into the end of 2023 to stand around 70 bps above current levels.

Several global and domestic developments are complicating the case for lower yields. China's rollback of stringent COVID-19 policies may support global growth and mitigate a widely expected recession. It also threatens to push inflation higher.

Signs of continued economic strength could feed inflation fears and bolster the case for policy makers to keep rates higher for longer.

At the moment, the Treasury market "is more focused on inflation still than...recession," said Matthew Miskin, co-chief investment strategist at John Hancock Investment Management.

Matthew Nest, head of active global fixed income at State Street Global Advisors, believes yields will likely fall in 2023.

"The next big move will likely be down in yield," he said. However, "you could experience some pain in the short run." — ***Reuters***

Oil ends year of wild price swings with annual gain

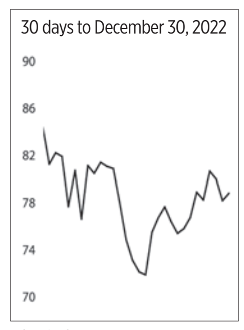
NEW YORK — Oil prices swung wildly in 2022, climbing on tight supplies amid the war in Ukraine, then sliding on weaker demand from top importer China and worries of an economic contraction, but closed the year on Friday with a second straight annual gain.

Prices surged in March as Russia's invasion of Ukraine upended global crude flows, with international benchmark Brent reaching $139.13 a barrel, highest since 2008. Prices cooled rapidly in the second half as central banks hiked interest rates and fanned worries of recession.

"This has been an extraordinary year for commodity markets, with supply risks leading to increased volatility and elevated prices," said ING analyst Ewa Manthey. "Next year is set to be another year of uncertainty, with plenty of volatility," she said.

Brent crude on Friday, the last trading day of the year, settled at $85.91 a barrel, up nearly 3% to $2.45 per barrel. US West Texas Intermediate (WTI) crude settled at $80.26 a barrel, up $1.86 or 2.4%.

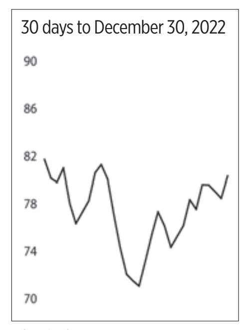
ASIA-DUBAI
(DECEMBER CONTRACT)



DOLLARS PER BBL

Dec.	23	27	28	29	30
$/bbl	78.20	80.59	79.95	78.11	78.76
Average (Dec. 1-30)				**$77.20**	
Average (Nov. 1-30)				**$86.19**	

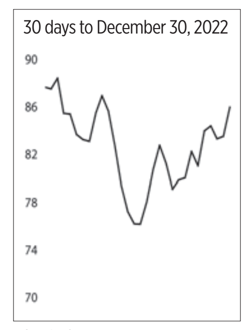
NEW YORK-WTI
(FEBRUARY CONTRACT)



DOLLARS PER BBL

Dec.	23	27	28	29	30
$/bbl	79.56	79.53	78.96	78.40	80.26
Average (Dec. 1-30)				**$76.52**	
Average (Nov. 1-30)				**$84.39**	

LONDON-BRENT
(MARCH CONTRACT)



DOLLARS PER BBL

Dec.	23	27	28	29	30
$/bbl	83.92	84.33	83.26	83.46	85.91
Average (Dec. 1-30)				**$81.40**	
Average (Nov. 1-30)				**$90.85**	

Source: REUTERS

For the year, Brent gained about 10%, after jumping 50% in 2021. US crude rose nearly 7% in 2022, following last year's gain of 55%. Both benchmarks fell sharply in 2020 as the coronavirus disease 2019 (COVID-19) pandemic slashed fuel demand.

Investors in 2023 are expected to keep taking a cautious approach, wary of interest rate hikes and possible recessions.

"The demand and demand growth is going to be a real question because of the heavy-handed actions by the global central banks and the slowdown that they're trying to engineer," said John Kilduff, partner at Again Capital LLC in New York.

A survey of 30 economists and analysts forecast Brent would average $89.37 a barrel in 2023, about 4.6% lower than the consensus in a November survey. US crude is projected to average $84.84 per barrel in 2023, down from the prior view.

While a jump in year-end holiday travel and Russia's ban on crude and oil product sales has supported crude, tighter supply will be offset this year by declining fuel consumption due to a deteriorating economic environment, said CMC Markets analyst Leon Li.

Oil's decline in the second half of 2022, as rising interest rates to fight inflation, boosted the US dollar. That made dollar-denominated commodities like crude more costly for holders of other currencies.

China's zero-COVID restrictions, which were eased only this month, had squashed demand recovery hopes. The world's top oil importer and second-biggest consumer in 2022 posted its first drop in oil demand for years.

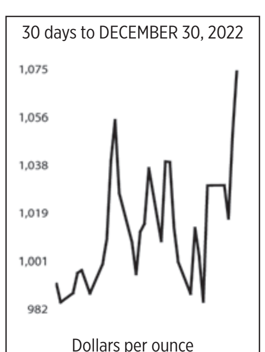
While China's oil demand is expected to recover in 2023, a recent surge in COVID-19 cases has dimmed hopes of an immediate boost in barrel buying. — ***Reuters***

Source: REUTERS

US COMMODITY FUTURES

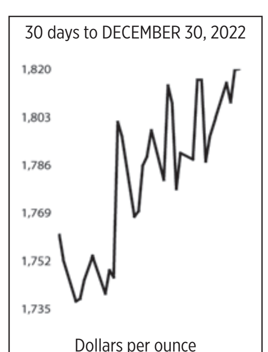
FRIDAY, DECEMBER 30, 2022

PLATINUM
(JANUARY CONTRACT)



OPEN: 1,055.80 CLOSE: 1,073.70
HIGH: 1,077.50 NET: 24.00
LOW: 1,052.10 PREV: 1,049.70

GOLD
(JANUARY CONTRACT)



OPEN: 1,817.00 CLOSE: 1,819.70
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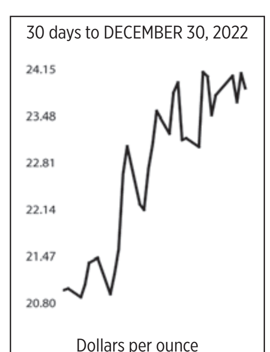
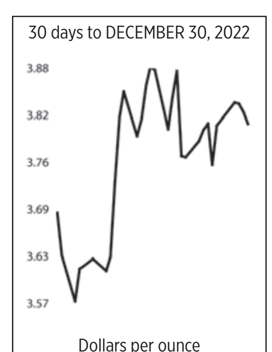
LOW: 1,816.80 PREV: 1,819.50

SILVER
(JANUARY CONTRACT)



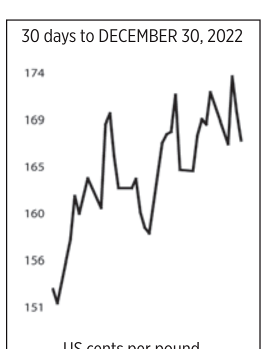
OPEN: 24.055 CLOSE: 23.862
HIGH: 24.155 NET: -0.216
LOW: 24.055 PREV: 24.078

COPPER
(JANUARY CONTRACT)



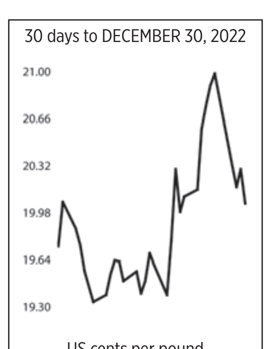
OPEN: 3.827 CLOSE: 3.806
HIGH: 3.832 NET: -0.016
LOW: 3.802 PREV: 3.821

COFFEE
(MARCH CONTRACT)



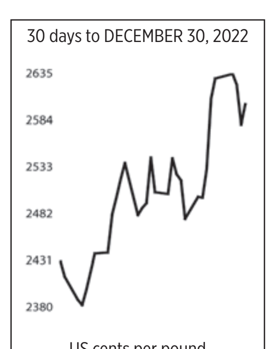
OPEN: 169.10 CLOSE: 167.30
HIGH: 172.45 NET: -2.75
LOW: 165.15 PREV: 170.05

SUGAR
(MARCH CONTRACT)



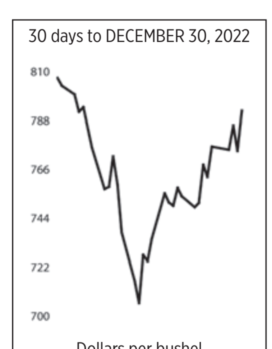
OPEN: 20.40 CLOSE: 20.04
HIGH: 20.43 NET: -0.25
LOW: 20.01 PREV: 20.29

COCOA
(MARCH CONTRACT)



OPEN: 2,587.00 CLOSE: 2,600.00
HIGH: 2,606.00 NET: 22.00
LOW: 2,569.00 PREV: 2,578.00

WHEAT
(MARCH CONTRACT)



OPEN: 775.50 CLOSE: 792.00
HIGH: 799.00 NET: 18.00
LOW: 771.50 PREV: 774.00

Gold set for best quarter after rate woes

GOLD PRICES edged up on Friday as the non-yielding metal was on track to close its best quarter since June 2020 on expectations of slower interest rate hikes by the US Federal Reserve after being beaten down from record highs earlier last year.

Bullion is only down about 0.5% in 2022 as back-to-back rate hikes by the US central bank pushed gold to a more than two-year low in September, but prices have pared losses since.

"We recent inflation data we've seen...shows prices starting to cool off a little bit. That's encouraging for the metals market bulls and been part of the reason we've seen the rally," said Jim Wyckoff, senior analyst at Kitco Metals.

On the last trading day of 2022, spot gold rose 0.2% to $1,818.70 per ounce by 2:17 p.m. ET (1858 GMT), while US gold futures settled unchanged at $1,826.20.

The market's mood into 2023 will be driven by the response of global central banks to bubbling inflation, analysts noted.

The Fed last year raised rates from near zero in March to a range of 4.25%-4.5% in the steepest round of rate hikes since the 1980s, pushing gold lower from a near record above $2,000 an ounce in March.

Investment in gold ETFs could improve in 2023 after last year's heavy outflows, said Vandana Bharti, assistant vice-president of commodity research at SMC Global Securities.

Spot silver fell 0.4% to $23.79 per ounce; platinum gained 0.9% to $1,063.43; while palladium dropped 1.6% to $1,784.76.

Silver and platinum were en route to ending the year on an uptick, while palladium was due for a 5.6% drop for the year.

Platinum and palladium could see a "decent bounce on the back of an economic relief rally" if recession risks look shallow, said Craig Erlam, senior market analyst at OANDA. — ***Reuters***

Copper falls on demand angst

LONDON — Copper prices fell on Friday and were headed for their first annual drop since 2018 due to worries about demand created by surging COVID cases in top consumer China, a global growth slowdown and rising inventories.

Benchmark copper on the London Metal Exchange (LME) was down 0.5% at $8,375 a ton at 1702 GMT. Prices of the metal used widely in the power and construction industries were on course for a 13% drop this year.

"In the US, there is apprehension the Fed will push the economy into recession; in Europe, the energy crisis has put enormous strain on corporates and consumers," said Bank of America analyst Michael Widmer.

"In China, various issues, including rolling COVID lockdowns that had such a pronounced impact on activity earlier this year, have been a concern."

Stocks of copper in LME-registered warehouses at 88,925 tons have climbed 7,525 tons since Friday. Canceled warrants — metal earmarked for delivery — at 13% of the total compares with 33% on Dec. 7.

Rising inventories are likely to be a trend into 2023 as demand slows further and surpluses mount.

Elsewhere, the lead price was up 0.9% at $2,294 a ton.

Prices of the battery metal hit $2,302.50 a ton on Wednesday, the highest since May 5, on worries about supplies and dwindling stocks in LME-approved warehouses, which are near 15-year lows at 25,000 tons.

Canceled warrants at 49% of the total and large holdings of warrants and cash contracts suggest more lead is due to be delivered out.

In other metals, aluminum fell 1.2% to $2,376; zinc ceded 0.5% to $2,970; tin fell 0.1% to $24,900; and nickel lost 1% to $29,960. — ***Reuters***