

FUND OVERVIEW

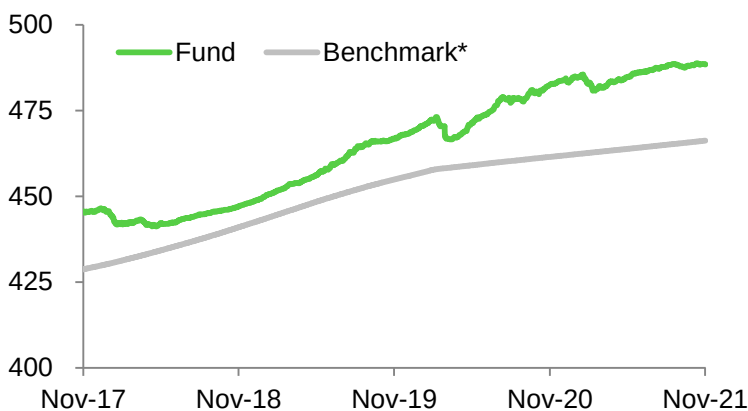
The Fund aims to achieve capital preservation through a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities.

The fund is suitable for investors who:

- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

FUND FACTS

Classification:	Medium-Term Bond Fund
Launch Date:	February 5, 2002
Dealing Day:	Daily up to 11:00 AM
Minimum Investment:	USD 1,000.00 ¹
Min. Subsequent Order:	USD 1,000.00 ¹
Minimum Holding Period:	180 calendar days
Redemption Settlement:	T+0 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee²:	1.25% per annum
Total Fund NAV (Mn) :	USD 295.83

FUND PERFORMANCE AND STATISTICS *(Purely for reference purposes and is not a guarantee of future results)*
NAVPS GRAPH


NAVPS 488.46

STATISTICS

Weighted Ave Duration (Yrs)	4.60
Volatility, Past 1 Year (%) ⁵	0.70
Sharpe Ratio ⁶	3.33
Information Ratio ⁷	1.52
Port. Weighted Yield to Maturity (%)	3.09
Number of Holdings	65

PORTFOLIO COMPOSITION
Allocation % of Fund

Government	23.65
Corporates	64.31
Fixed Income Funds	8.27
Cash & Cash Equivalents ⁸	3.77

Asset Valuation

Marked-to-Market	29.43
Amortized Cost	70.57

Maturity Profile

Less than 1 year	21.82
1 – 3 years	18.56
3 – 5 years	11.53
More than 5 years	48.09

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.02	0.75	1.26	9.24	12.88	114.71
Benchmark	0.09	0.52	1.04	5.69	10.49	47.49

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	1.26	2.29	2.99	2.32	2.45	3.93
Benchmark	1.04	1.25	1.86	2.08	2.02	1.98

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2020	2019	2018	2017	2016
Fund	0.95	3.34	4.45	0.55	3.15	3.29
Benchmark	0.95	1.37	3.09	2.94	1.93	1.30

BENCHMARK

3-month US Treasury bill plus 1.00%

TOP HOLDINGS

Name	Maturity	%
Aboitiz Equity Ventures, Inc. Bond	2030	6.73
Ayala Corporation Bond	2022	5.93
First Pacific Bond	2027	4.41
Fixed Income Fund		4.38
JG Summit Holdings Bond	2030	3.92

¹Contribution rounded down/redemption rounded off to the nearest whole share. Mutual Fund shares do not issue fractional shares.

²Management, Distribution & Transfer Agency Fees

³Returns are net of fees.

⁴Since Inception.

⁵Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

⁶Used to characterize how well the return of a Fund compensates the investor for the level of risk taken.

⁷Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

⁸Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities⁸

Fund prospectus is available upon request through BPI Investment Management Inc. (BIMI), authorized distributors and sales agents.

- **THE MUTUAL FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPS IS FOR ILLUSTRATION OF NAVPS MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**
- **THE FUND MANAGER IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

OUTLOOK AND STRATEGY

Market Review. The 10-year benchmark US Treasuries fell by about 11 basis points in November to 1.44%.

US consumer prices rose 6.2% year-on-year in October as prices of important household expenditures such as food, energy, rent, and vehicles continue to rise amid enduring supply side bottlenecks and improved demand. The US Federal Reserve has started tapering their asset purchases by USD 15 Bn late this month as largely expected. However, Fed Chair Powell has stressed that tapering doesn't signal rate hikes in the near term.

News of the new Omicron COVID variant caused renewed growth concerns and market players to flock to safe haven assets this month. Despite the uncertainty around the Omicron variant, Federal Reserve Chair Jerome Powell, who is also now reappointed for another four year term as US Federal Reserve Chair, said in a speech to Congress that the central bank may accelerate the taper of bond purchases as risks to higher inflation have grown and it should no longer be considered "transitory." Powell stated that the economy remains strong and inflation pressures remain elevated, so it is appropriate to consider hastening the taper of asset purchases which will be discussed at the next Federal Open Market Committee (FOMC) meeting on Dec 14. On the fiscal side, US President Joe Biden has finally signed the USD 550 Bn bipartisan infrastructure bill.

Fund Performance. The Fund returned 0.02% for the month, underperforming its benchmark by 7 basis points. Year-to-date, return amounted to 0.95%, same as its benchmark.

Fund Strategy. The fund will maintain its current duration. Investors in the bond fund must be prepared to withstand short-term volatility as higher investment value is normally achieved over the medium- to long-term.