

FUND OVERVIEW

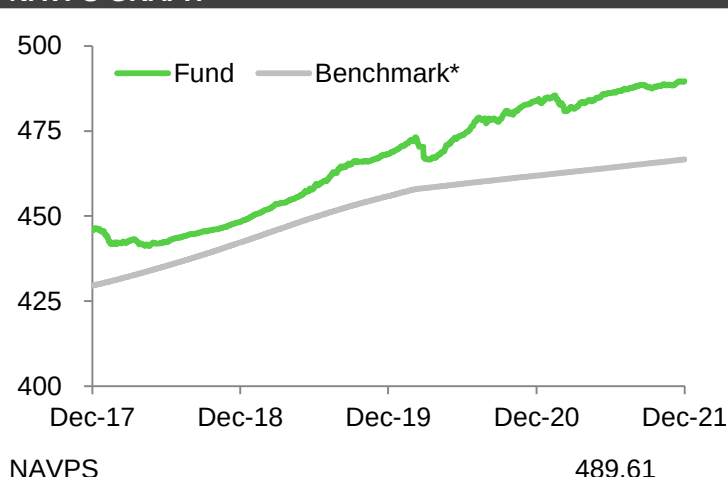
The Fund aims to achieve capital preservation through a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities.

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 1:30 PM
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 344.17

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

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.24	0.72	1.19	9.22	13.28	115.21
Benchmark	0.09	0.52	1.03	5.50	10.45	47.57

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	1.19	2.26	2.98	2.37	2.52	3.92
Benchmark	1.03	1.19	1.80	2.06	2.01	1.97

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2020	2019	2018	2017	2016
Fund	1.19	3.34	4.45	0.55	3.15	3.29
Benchmark	1.03	1.37	3.09	2.94	1.93	1.30

BENCHMARK

3-month US Treasury bill plus 1.00%

STATISTICS

Weighted Ave Duration (Yrs)	3.90
Volatility, Past 1 Year (%) ⁵	0.65
Sharpe Ratio ⁶	1.75
Information Ratio ⁷	0.21
Port. Weighted Yield to Maturity (%)	2.69
Number of Holdings	70

TOP HOLDINGS

Name	Maturity	%
Aboitiz Equity Ventures, Inc. Bond	2030	5.78
Ayala Corporation Bond	2022	5.08
Fixed Income Fund		4.36
Fixed Income Fund		3.81
First Pacific Bond	2027	3.79

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.

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	20.36
Corporates	55.35
Fixed Income Funds	8.32
Cash & Cash Equivalents ⁸	15.97
Asset Valuation	
Marked-to-Market	26.65
Amortized Cost	73.35
Maturity Profile	
Less than 1 year	32.69
1 – 3 years	15.94
3 – 5 years	10.01
More than 5 years	41.36

- **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 US Federal Reserve kept policy rates unchanged at the Federal Open Market Committee (FOMC) meeting last December 15, however the US central bank also announced that they will accelerate the pace of ending their bond purchasing program and is now projected to end their tapering activities earlier than expected. The Fed is also expected to put in at least 3 rate hikes in 2022. This is largely in response to inflation in the US. The word “transitory” has been dropped in their rhetoric to describe inflation and is recently being described more as being “persistent”. The emergence of the new COVID variant, Omicron and the accompanying surge of infected cases in the US and in the rest of the world continues to dampen global economic outlook, with a number of institutions including the World Bank, revising down their growth outlook for the US. The 10 year UST yields rose slightly by 1 basis point, closing the year at the 1.5% levels.

Fund Performance. The Fund returned 0.24% for the month, beating its benchmark by 15 basis points. Year-to-date, return amounted to 1.19%, beating its benchmark by 16 basis points.

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.