

FUND OVERVIEW

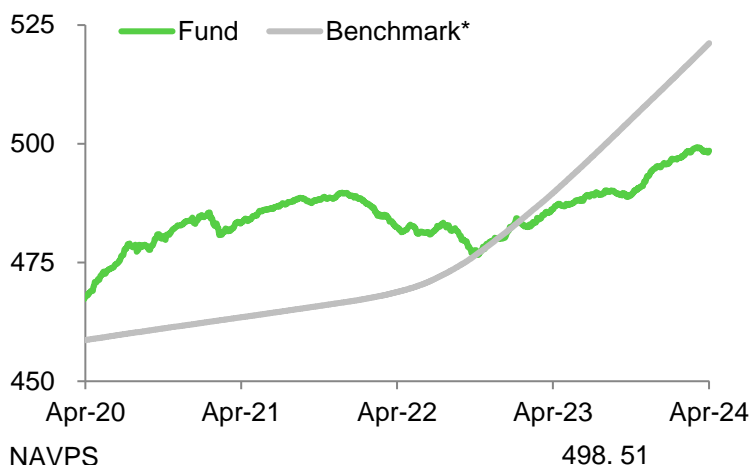
The Fund aims to achieve capital preservation through a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities.

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 2:00 PM
Minimum Investment:	USD 100.00 ¹
Min. Subsequent Order:	Equivalent amount of 1 share*
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 224.25

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	-0.11	1.87	2.54	3.12	9.64	119.13
Benchmark	0.57	3.15	6.41	12.14	15.95	62.74

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	2.54	1.66	1.03	1.60	1.86	3.59
Benchmark	6.41	5.35	3.89	3.15	3.00	2.21

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2023	2022	2021	2020	2019
Fund	0.66	3.17	-1.96	1.19	3.34	4.45
Benchmark	2.11	6.15	2.96	1.03	1.37	3.09

BENCHMARK

3-month US Treasury bill plus 1.00%

STATISTICS

Weighted Ave Duration (Yrs)	3.98
Volatility, Past 1 Year (%) ⁵	0.55
Sharpe Ratio ⁶	-5.22
Information Ratio ⁷	-6.63
Port. Weighted Yield to Maturity (%)	4.97
Number of Holdings	70

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	28.03
Corporates	65.72
Fixed Income Funds	3.52
Cash & Cash Equivalents ⁸	2.73

Asset Valuation

Marked-to-Market	26.15
Amortized Cost	73.85

Maturity Profile

Less than 1 year	22.11
1 – 3 years	10.12
3 – 5 years	16.35
More than 5 years	51.42

TOP HOLDINGS

Name	Maturity	%
Aboitiz Equity Ventures Bond	2030	8.61
Ayala Corporation	2071	7.35
First Pacific	2027	5.37
JG Summit Holdings Bond	2030	4.94
Manila Water Corporation Bond	2030	4.90

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 JP Morgan Asia Credit Index (JACI) Philippines fell 2.04% in April as Philippine dollar-denominated yields rose, tracking the movements in US Treasuries.

Global bond yields surged as US inflation rose faster than expected. US CPI inflation in March increased by 3.5% year-on-year, above median estimate of 3.4% and the previous month's 3.2%. Moreover, US Federal Reserve officials have issued statements which support maintaining current level of policy rates for longer. Consequently, market participants pushed back their rate cut expectations and the US 10-year Treasury benchmark yield jumped from 4.20% to 4.60% during the month.

On the domestic front, inflation continued its rebound, rising from 3.4% in February to 3.7% in March. Inflation was mainly driven by food, with rice prices up by 24.4% YoY. In its latest meeting, the BSP kept policy rates steady at 6.50%. In addition, BSP Governor Remolona stated that the inflation trajectory has shifted higher with risks coming from higher transport charges, electricity rates, global oil prices, and domestic food prices amidst a strong El Niño phenomena. Due to these risks, he said that policy rate cuts are more likely to be implemented starting 2025 and these will be done gradually.

Fund Performance. The Fund returned -0.11% for the month, underperforming its benchmark by 68 basis points. Year-to-date, return amounted to 0.66%, underperforming its benchmark by 145 basis points.

Fund Strategy. The fund manager is looking to gradually add duration to the portfolio. This is in light of signs that the Federal Reserve may be consider cutting interest rates in the second half of the year. 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.