

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:

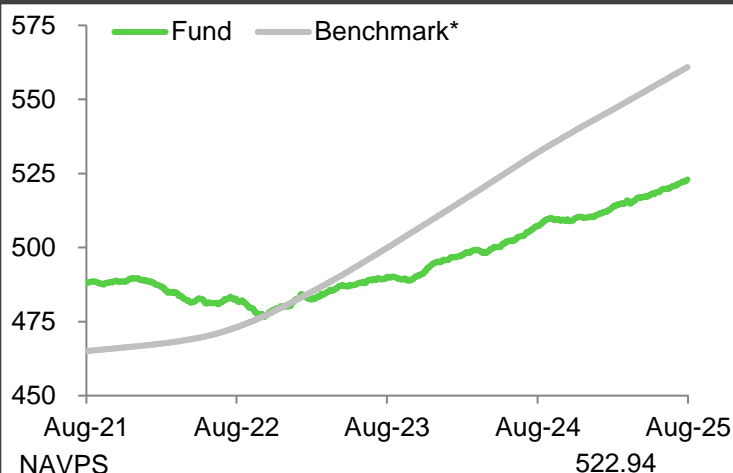
- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

FUND FACTS

Classification:	Medium-Term Bond Fund
Launch Date:	February 5, 2002
Dealing Day:	Daily up to 2:00 PM
Minimum Investment:	USD 600.00 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 195.99

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	0.38	1.80	3.07	8.42	9.57	129.86
Benchmark	0.41	2.62	5.39	18.07	20.97	73.61

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	3.07	3.29	2.73	1.74	1.85	3.59
Benchmark	5.39	5.83	5.69	4.64	3.88	2.37

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2024	2023	2022	2021	2020
Fund	2.51	3.01	3.17	-1.96	1.19	3.34
Benchmark	3.53	6.09	6.15	2.96	1.03	1.37

BENCHMARK

3-month US Treasury bill plus 1.00%

STATISTICS

Weighted Ave Duration (Yrs)	6.10
Volatility, Past 1 Year (%) ⁵	0.52
Sharpe Ratio ⁶	-2.55
Information Ratio ⁷	-4.25
Port. Weighted Yield to Maturity (%)	3.95
Number of Holdings	59

PORTFOLIO COMPOSITION

Allocation % of Fund

Government	22.22
Corporates	71.37
Fixed Income Funds	0.60
Cash & Cash Equivalents ⁸	5.81

Asset Valuation

Marked-to-Market	27.05
Amortized Cost	72.95

Maturity Profile

Less than 1 year	18.79
1 – 3 years	8.09
3 – 5 years	43.72
More than 5 years	29.40

TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.46
Aboitiz Equity Ventures, Inc.	2030	8.13
First Pacific	2027	6.05
JG Summit Holdings	2030	5.72
Manila Water Company, Inc.	2030	5.71

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 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. In August, U.S. Treasury yields moved lower across most maturities, reflecting growing expectations of interest rate cuts by the Federal Reserve. The 2-year yield saw the largest decline, dropping 35 basis points from 3.94% to 3.59%. The 10-year yield also fell, moving from 4.37% to 4.23%. Interestingly, the 30-year yield bucked the trend, rising slightly by 3 basis points to 4.92%. These shifts were largely influenced by Fed Chair Jerome Powell's more dovish tone during his speech at the Jackson Hole symposium, which signaled a potential easing of monetary policy ahead. On the US economic front, the U.S. added 78,000 jobs in July, below market expectations of 100,000, suggesting a cooling labor market. Meanwhile, inflation held steady at 2.7%, unchanged from the previous month.

Globally, long-term government bond yields moved higher in August as investor demand weakened, largely due to rising concerns over high levels of sovereign debt and fiscal sustainability. This shift was evident across major markets, with 30-year German bund yields reaching 3.31%—their highest level since 2011. Similarly, 30-year UK Gilts rose to 5.6%, a level not seen since 1998, while 30-year French OATs climbed to 4.45%, marking a 14-year high.

In the Philippines, dollar-denominated bond yields fell across the curve, with shorter tenors seeing the most notable drop. The JP Morgan Asia Credit Index – Philippines delivered a monthly return of 1.33%, primarily driven by price appreciation.

Fund Performance. The Fund returned 0.38% for the month, underperforming its benchmark by 3 basis points. Year-to-date return amounted to 2.51%, underperforming its benchmark by 102 basis points.

Fund Strategy. The fund manager looks to maintain portfolio duration in consideration of potential volatility from geopolitical risk as a result of US President Trump's tariff policies. Though inflation is still expected to ease, policy changes may pose upside risk to the prices of goods and services. 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.