

## 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:

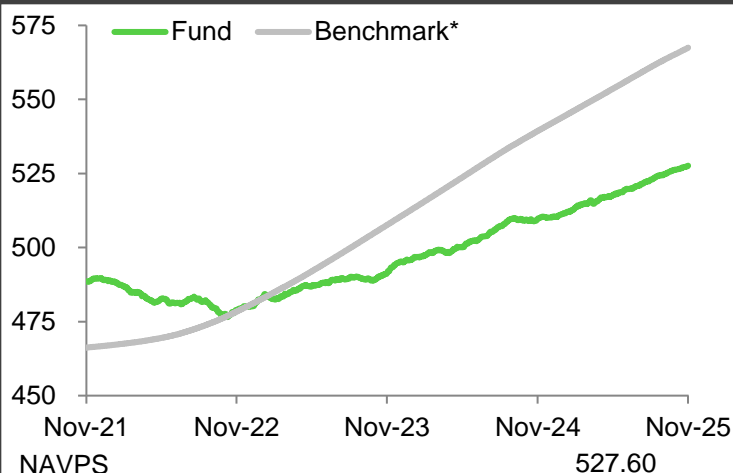
- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

## FUND FACTS

<b>Classification:</b>	Medium-Term Bond Fund
<b>Launch Date:</b>	February 5, 2002
<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Minimum Investment:</b>	USD 600.00 <sup>1</sup>
<b>Min. Subsequent Order:</b>	Equivalent amount of 1 share
<b>Minimum Holding Period:</b>	180 calendar days
<b>Redemption Settlement:</b>	T+0 End-of-Day
<b>Early Redemption Charge:</b>	1.00%
<b>Total Management Fee<sup>2</sup>:</b>	1.25% per annum
<b>Total Fund NAV (Mn) :</b>	USD 195.72

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

### NAVPS GRAPH



### CUMULATIVE PERFORMANCE (%) <sup>3</sup>

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>0.24</b>	<b>1.88</b>	<b>3.48</b>	<b>10.21</b>	<b>9.37</b>	<b>131.91</b>
<b>Benchmark</b>	0.38	2.53	5.20	18.16	22.06	75.43

### ANNUALIZED PERFORMANCE (%) <sup>3</sup>

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>3.48</b>	<b>3.55</b>	<b>3.29</b>	<b>1.95</b>	<b>1.81</b>	<b>3.59</b>
<b>Benchmark</b>	5.20	5.64	5.72	4.88	4.07	2.39

### CALENDAR YEAR PERFORMANCE(%) <sup>3</sup>

	YTD	2024	2023	2022	2021	2020
<b>Fund</b>	<b>3.42</b>	<b>3.01</b>	<b>3.17</b>	<b>-1.96</b>	<b>1.19</b>	<b>3.34</b>
<b>Benchmark</b>	4.78	6.09	6.15	2.96	1.03	1.37

### BENCHMARK

3-month US Treasury bill plus 1.00%

## STATISTICS

Weighted Ave Duration (Yrs)	5.54
Volatility, Past 1 Year (%) <sup>5</sup>	0.44
Sharpe Ratio <sup>6</sup>	-1.65
Information Ratio <sup>7</sup>	-3.74
Port. Weighted Yield to Maturity (%)	3.82
Number of Holdings	50

## PORTFOLIO COMPOSITION

### Allocation % of Fund

Government	29.19
Corporates	58.76
Fixed Income Funds	5.10
Cash & Cash Equivalents <sup>8</sup>	6.96

### Asset Valuation

Marked-to-Market	31.45
Amortized Cost	68.55

### Maturity Profile

Less than 1 year	29.38
1 – 3 years	9.11
3 – 5 years	31.59
More than 5 years	29.92

## TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.50
Aboitiz Equity Ventures, Inc.	2030	7.15
First Pacific	2027	6.05
Ayala Corporation	PERP	5.17
US Treasury Notes	2026	5.14

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

<sup>2</sup>Management, Distribution & Transfer Agency Fees

<sup>3</sup>Returns are net of fees.

<sup>4</sup>Since Inception.

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

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

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

<sup>8</sup>Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities<sup>8</sup>

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.** Global fixed income assets recovered in November as expectations for interest rate cuts gained momentum. Early in the month, yields were elevated after US Federal Reserve Chair Jerome Powell said further cuts were not guaranteed, making investors cautious about a third consecutive cut at the December meeting.

As the month progressed, sentiment shifted towards a December rate cut. Softer economic data including weaker retail sales, downward revisions in jobs growth, and unemployment rising to a four-year high of 4.4% supported the case for easing. Dovish comments from key Fed officials also reinforced these expectations, helping bond markets rebound.

Outside the US, bond yield movements were mixed. Germany's 10-year Bund ended at 2.69% (+5 bps), the UK's 10-year Gilt at 4.44% (+3 bps), and Japan's 10-year government bond at 1.81% (+14 bps). Japan stood out as yields climbed sharply after the Bank of Japan signaled possible rate hikes amid inflation rising to 2.8%, above the 2.4% forecast. In the Philippines, dollar-denominated bond yields rose after GDP growth came in at 4%, well below expectations. The JP Morgan Asia Credit Index – Philippines posted a negative return of 0.25%.

**Fund Performance.** The Fund returned 0.24% for the month, underperforming its benchmark by 14 basis points. Year-to-date return amounted to 3.42%, underperforming its benchmark by 136 basis points.

**Fund Strategy.** The fund manager looks to maintain portfolio duration in consideration of continued volatility in the global space. Though policy rates are expected to come down, US President Trump's tariff policies may cause inflationary pressures to persist. Investors in a bond fund must be prepared to withstand short-term volatility as higher investment value is normally achieved over the medium to long term.