

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:

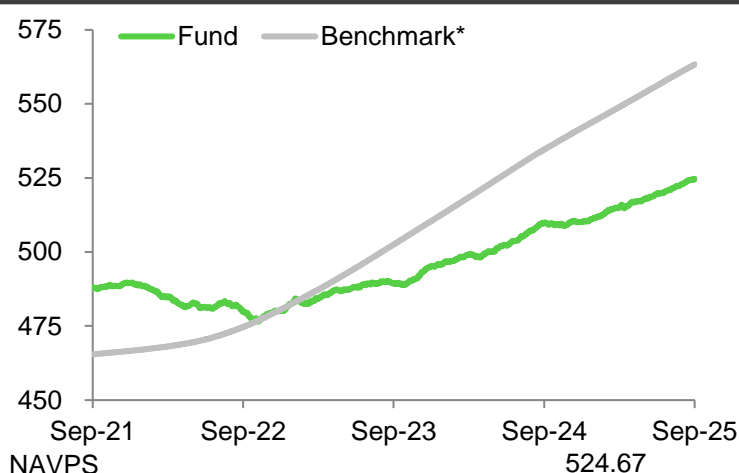
- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

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 195.87

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	0.33	1.83	2.89	9.34	9.67	130.62
Benchmark	0.43	2.61	5.32	18.18	21.36	74.26

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	2.89	3.53	3.02	1.84	1.86	3.59
Benchmark	5.32	5.79	5.73	4.73	3.95	2.37

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2024	2023	2022	2021	2020
Fund	2.85	3.01	3.17	-1.96	1.19	3.34
Benchmark	3.97	6.09	6.15	2.96	1.03	1.37

BENCHMARK

3-month US Treasury bill plus 1.00%

STATISTICS

Weighted Ave Duration (Yrs)	6.26
Volatility, Past 1 Year (%) ⁵	0.50
Sharpe Ratio ⁶	-2.84
Information Ratio ⁷	-4.61
Port. Weighted Yield to Maturity (%)	3.96
Number of Holdings	57

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	29.79
Corporates	66.69
Fixed Income Funds	0.76
Cash & Cash Equivalents ⁸	2.76

Asset Valuation

Marked-to-Market	27.05
Amortized Cost	72.95

Maturity Profile

Less than 1 year	17.39
1 – 3 years	8.09
3 – 5 years	41.34
More than 5 years	33.18

TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.48
Aboitiz Equity Ventures, Inc.	2030	8.14
First Pacific	2027	6.05
Manila Water Company, Inc.	2030	5.71
Ayala Corporation	PERP	5.15

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. Global fixed income assets gave positive returns in September, with the Bloomberg Barclays Global Aggregate Total Return Index up by 2.53% for the period as investors had mixed reactions to US central bank's policy moves. In the US, Treasury yields reversed August's decline, with all major maturities rising despite a 25-basis point rate cut by the Federal Reserve. The 2-year yield ended at 3.61%, the 10-year yield at 4.15%, and the 30-year yield climbed to 4.73%. This uptick followed stronger-than-expected jobless claims data and Fed Chair Powell's cautious tone, emphasizing "risk management" rather than a full pivot toward easing.

Globally, long-term government bond yields showed mixed movements. The 10-year German Bund held steady at 2.71%, while the UK 10-year Gilt yield dipped slightly to 4.15%, reflecting stable inflation and a hold on interest rates by the Bank of England. Investor sentiment remained cautious due to fiscal concerns and inflationary pressures across Europe.

In the Philippines, dollar-denominated bond yields declined, especially in longer tenors, contributing to a monthly return of 1.44% for the JP Morgan Asia Credit Index – Philippines. This was driven by price appreciation and stable interest income, as the Bangko Sentral ng Pilipinas maintained a dovish stance with a policy rate cut to 5.00%. The local bond market benefited from easing inflation and improving investor confidence.

Fund Performance. The Fund returned 0.33% for the month, underperforming its benchmark by 10 basis points. Year-to-date return amounted to 2.85%, underperforming its benchmark by 112 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.