

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:

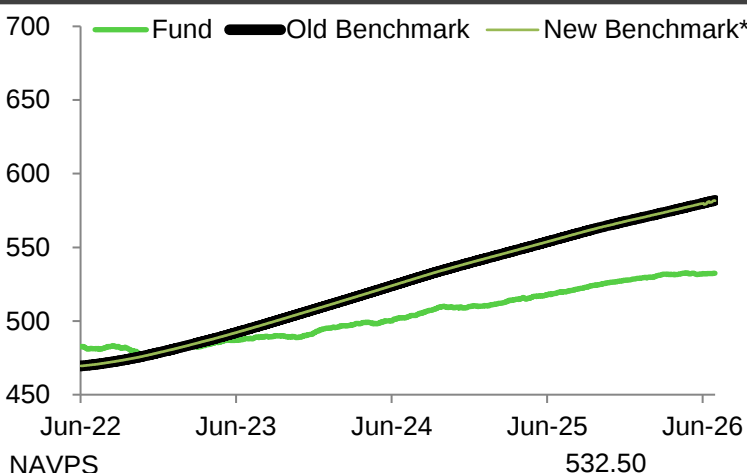
- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

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 187.08

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	0.08	0.67	2.48	9.13	9.54	134.07
Benchmark	0.22	1.73	3.73	14.33	19.42	79.31

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	2.48	2.96	2.96	2.56	1.84	3.54
Benchmark	3.73	4.16	4.57	4.45	3.61	2.42

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2025	2024	2023	2022	2021
Fund	0.67	3.69	3.01	3.17	-1.96	1.19
Benchmark	1.73	5.18	6.09	6.15	2.96	1.03

BENCHMARK

60% 3-Month US T-Bills + 40% Bloomberg US Government/Credit 1–5 Year Index⁹

STATISTICS

Weighted Ave Duration (Yrs)	5.60
Volatility, Past 1 Year (%) ⁵	0.33
Sharpe Ratio ⁶	-4.05
Information Ratio ⁷	-4.99
Port. Weighted Yield to Maturity (%)	4.10
Number of Holdings	54

PORTFOLIO COMPOSITION

Allocation % of Fund

Government	28.48
Corporates	62.15
CIS	3.78
Cash & Money Market Instruments ⁸	5.59

Asset Valuation

Marked-to-Market	32.07
Amortized Cost	67.93

Maturity Profile

Less than 1 year	21.15
1 – 3 years	15.78
3 – 5 years	35.50
More than 5 years	27.57

TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.05
Aboitiz Equity Ventures, Inc.	2030	7.48
First Pacific	2027	6.28
Ayala Corporation	PERP	5.23
Globe Telecom	2030	4.74

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 Liabilities⁹

⁹Effective June 1, 2026, the benchmark was changed from the 3-month U.S. Treasury bill rate plus 100 basis points to a composite benchmark comprising 60% of the 3-month U.S. Treasury bill rate and 40% of the Bloomberg 1–5 Year Government/Credit Index to better align with the Fund's investment strategy and risk profile.

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 markets in June 2026 saw a major shift in risk sentiment, moving from geopolitical concern to early stabilization, though complicated by persistent inflation and a hawkish stance from major central banks. The conflict between the United States and Iran, which had previously threatened the closure of the Strait of Hormuz, reached a resolution through a mid-month ceasefire agreement. Brent crude, which had traded near peak levels of \$115 per barrel earlier in the conflict, fell sharply as supply worries eased, ultimately settling near \$73 per barrel by late June. While this late-month drop in energy prices helped market sentiment, higher inflation was already reflected in the economic data: May U.S. CPI (released mid-June) rose to 4.25% y/y, the fastest pace in over three years, while core CPI came in at 2.85%. With rate-cut expectations fading, markets repriced toward a restrictive "higher-for-longer" rate environment under new Federal Reserve Chair Kevin Warsh. The 10-year Treasury yield fluctuated alongside volatile oil prices, reaching an intra-month peak near 4.67% before settling at 4.56%, while the 30-year yield touched 5.06%.

Corporate credit and Asian USD bonds remained resilient despite this backdrop. As geopolitical concerns eased, credit spreads tightened, offsetting the pressure from elevated U.S. rates. Emerging markets remained sensitive to changing trade and energy dynamics, but Asian USD credit and Philippine sovereign USD bonds benefited from positive market sentiment and regional capital inflows. The JP Morgan Asia Credit Index (JACI) maintained positive momentum gaining 0.54% for the month, while rising stagflationary concerns and fiscal deficit issues caused the Bloomberg Global Aggregate Bond Index to drop 0.71% for the month of June.

Fund Performance. The fund returned 0.08% for the month, underperforming its benchmark by 14 basis points. Year-to-date return amounted to 0.67%, underperforming its benchmark by 106 basis points.

Fund Strategy. The Fund looks to maintain a nimble portfolio position to take advantage of any opportunities as global inflation is seen to increase over the next few months as an effect of the ongoing geopolitical tensions in the Middle East. Volatility may persist in the near term driven by global factors, and the portfolio will be actively managed to take advantage of this. Investors in the bond fund must be prepared to withstand volatility as higher investment value is normally achieved over the medium to long term horizon.