

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.

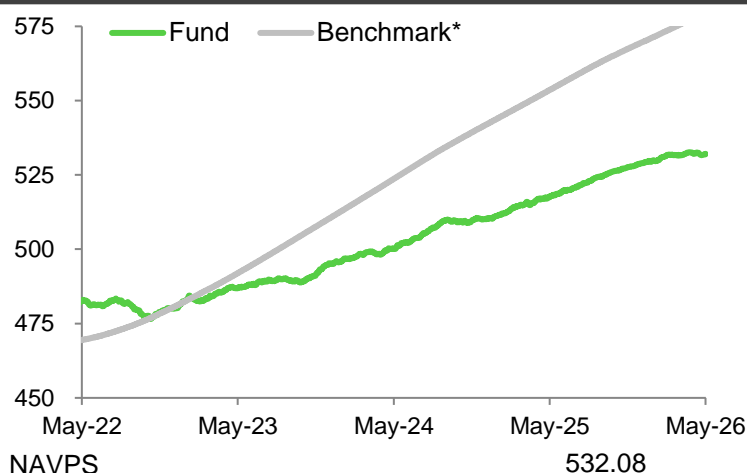
The fund is suitable for investors who:

- 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 188.67

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	-0.01	0.85	2.75	9.18	9.74	133.88
Benchmark	0.37	2.31	4.88	17.56	24.16	78.91

ANNUALIZED PERFORMANCE (%)³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	2.75	3.14	2.97	2.45	1.88	3.55
Benchmark	4.88	5.21	5.54	5.29	4.42	2.42

CALENDAR YEAR PERFORMANCE(%)³

	YTD	2025	2024	2023	2022	2021
Fund	0.59	3.69	3.01	3.17	-1.96	1.19
Benchmark	1.54	5.18	6.09	6.15	2.96	1.03

BENCHMARK
 3-month US Treasury bill plus 1.00%

STATISTICS

Weighted Ave Duration (Yrs)	5.24
Volatility, Past 1 Year (%) ⁵	0.36
Sharpe Ratio ⁶	-3.14
Information Ratio ⁷	-5.54
Port. Weighted Yield to Maturity (%)	3.77
Number of Holdings	48

TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.00
Aboitiz Equity Ventures, Inc.	2030	7.42
First Pacific	2027	6.24
Ayala Corporation	PERP	5.21
Time Deposit		4.72

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	34.29
Corporates	55.82
Fixed Income Funds	1.61
Cash & Cash Equivalents ⁸	8.28

Asset Valuation

Marked-to-Market	34.02
Amortized Cost	65.98

Maturity Profile

Less than 1 year	28.85
1 – 3 years	14.13
3 – 5 years	30.98
More than 5 years	26.04

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 markets in May 2026 underwent a volatile recalibration of risk, driven by a geopolitical supply shock, reaccelerating inflation, and a hawkish shift from major central banks. The conflict between the United States and Iran, and the threatened closure of the Strait of Hormuz, kept energy markets in constant flux throughout the month. Brent crude opened near a high of \$115 per barrel in the first few days, sank to around \$96 as tensions briefly eased, rebounded to roughly \$110 by mid-month, and ultimately settled near \$91 as reports of a draft peace agreement circulated. These sharp two-way swings drove much of the broader market volatility, with the energy shock spilling over into food and fertilizer prices and complicating the disinflationary narrative. Despite the late-month stabilization, the prior spike had already filtered into the macro data: the April U.S. CPI (released mid-May) rose to 3.8% y/y, the fastest in three years, while core CPI firmed to 2.8%. With rate-cut expectations dissipating, markets priced a "higher-for-longer" paradigm, pushing the 10-year Treasury yield to an intra-month peak near 4.67% and the 30-year to 5.18%.

Corporate credit and Asian USD segments faced a more challenging backdrop as sentiment swung with the oil tape and shifted from relief to caution. Emerging markets reliant on energy imports faced balance of payments pressures, compelling several central banks to abandon easing cycles and adopt restrictive postures. Asian USD credit and Philippine sovereign USD bonds remained sensitive to oil dynamics and the backup in U.S. rates, with the JP Morgan Asia Credit Index (JACI) Philippines returning 1.04% for the month of May and the Bloomberg Global Aggregate Bond Index returning 0.63% over the same period.

Fund Performance. The fund returned -0.01% for the month, underperforming its benchmark by 38 basis points. Year-to-date return amounted to 0.59%, underperforming its benchmark by 133 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.