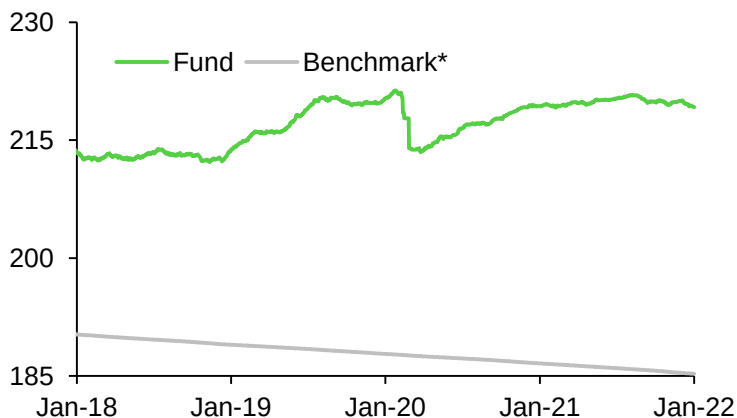


**FUND OVERVIEW**

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, such as but not limited to, Euro-denominated government securities, corporate notes and bonds, and fixed income funds.

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


NAVPS 219.22

**STATISTICS**

|                                          |      |
|------------------------------------------|------|
| Weighted Ave Duration (Yrs)              | 4.32 |
| Volatility, Past 1 Year (%) <sup>5</sup> | 0.41 |
| Sharpe Ratio <sup>6</sup>                | 1.67 |
| Information Ratio <sup>7</sup>           | 1.66 |
| Port. Weighted Yield to Maturity (%)     | 1.17 |
| Number of Holdings                       | 25   |

**PORTFOLIO COMPOSITION**

| Allocation                           | % of Fund |
|--------------------------------------|-----------|
| Government                           | 53.40     |
| Corporates                           | 25.41     |
| Fixed Income Funds                   | 10.18     |
| Cash & Cash Equivalents <sup>8</sup> | 11.01     |

**Asset Valuation**

|                  |       |
|------------------|-------|
| Marked-to-Market | 32.75 |
| Amortized Cost   | 67.25 |

**Maturity Profile**

|                   |       |
|-------------------|-------|
| Less than 1 year  | 24.63 |
| 1 – 3 years       | 16.28 |
| 3 – 5 years       | 21.69 |
| More than 5 years | 37.40 |

**FUND FACTS**

|                                            |                       |
|--------------------------------------------|-----------------------|
| <b>Classification:</b>                     | Medium Term Bond Fund |
| <b>Launch Date:</b>                        | January 19, 2006      |
| <b>Dealing Day:</b>                        | Daily up to 1:30 PM   |
| <b>Minimum Investment:</b> <sup>1</sup>    | EUR 500.00            |
| <b>Min. Subsequent Order:</b> <sup>1</sup> | EUR 500.00            |
| <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:</b> <sup>2</sup>  | 0.375% per annum      |
| <b>Total Fund NAV (Mn) :</b>               | EUR 17.09             |

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

|                  | 1 mo  | 6 mos | 1 YR  | 3 YRS | 5 YRS | S.I. <sup>4</sup> |
|------------------|-------|-------|-------|-------|-------|-------------------|
| <b>Fund</b>      | -0.36 | -0.50 | -0.05 | 2.56  | 5.19  | 44.87             |
| <b>Benchmark</b> | -0.06 | -0.38 | -0.71 | -1.95 | -3.45 | 6.86              |

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

|                  | 1 YR  | 2 YRS | 3 YRS | 4 YRS | 5 YRS | S.I. <sup>4</sup> |
|------------------|-------|-------|-------|-------|-------|-------------------|
| <b>Fund</b>      | -0.05 | -0.26 | 0.85  | 0.67  | 1.02  | 2.34              |
| <b>Benchmark</b> | -0.71 | -0.67 | -0.66 | -0.66 | -0.70 | 0.41              |

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

|                  | YTD   | 2021  | 2020  | 2019  | 2018  | 2017  |
|------------------|-------|-------|-------|-------|-------|-------|
| <b>Fund</b>      | -0.36 | 0.38  | -0.25 | 3.33  | -0.50 | 1.97  |
| <b>Benchmark</b> | -0.06 | -0.71 | -0.64 | -0.62 | -0.69 | -0.86 |

**BENCHMARK**

3-month German T-Bill

**TOP HOLDINGS**

| Name                             | Maturity | %     |
|----------------------------------|----------|-------|
| Republic of the Philippines Bond | 2027     | 11.70 |
| Fixed Income Fund                |          | 10.18 |
| Republic of the Philippines Bond | 2029     | 7.58  |
| Republic of the Philippines Bond | 2033     | 6.30  |
| Mexico Sovereign Bond            | 2026     | 6.00  |

<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 BPI Investment Management Inc. (BIMI), 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.** The 10-year benchmark German Bund yields rose by 14 basis points in January to -0.05%.

Annual EU inflation rose 5.0% in December from 4.9% in the previous month, as energy and food prices continue to rise. EU growth slowed in Q4 2021 to 0.3% from 2.3% in the previous quarter amid the surge in COVID19 cases due to the new Omicron variant. Sentiment remains strong across the EU with manufacturing purchasing managers index (PMI) rising to 59.0 in January from 58 in December as prospects have brightened with increasing factory activity and decreasing supply chain delays. Services PMI fell to 51.2 this month from 53.1 in December as stricter measures were imposed to combat the Omicron variant.

The European Central Bank has signaled in its December meeting that it is unlikely to raise rates in 2022 but will remain flexible on its policy guidance moving forward. The next monetary policy meeting will be on February 3, 2022.

**Fund Performance.** The Fund returned -0.36% for the month, underperforming its benchmark by 30 basis points. Year-to-date, return amounted to -0.36%, underperforming its benchmark by 30 basis points.

**Fund Strategy.** The fund will maintain its current duration. 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.