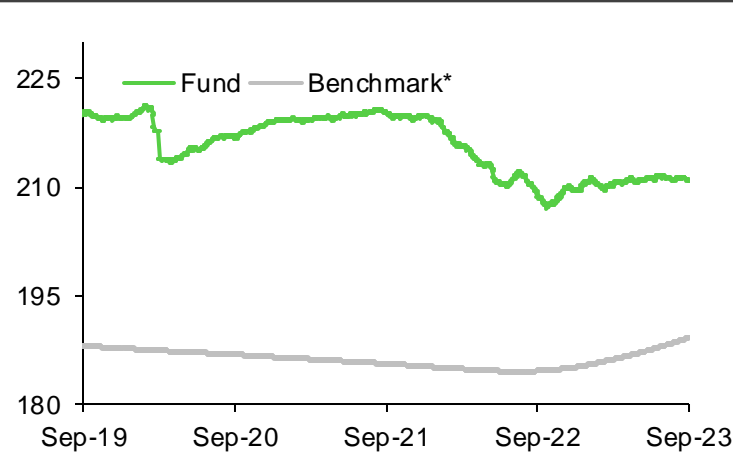


FUND OVERVIEW

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 211.03

STATISTICS

Weighted Ave Duration (Yrs)	3.19
Volatility, Past 1 Year (%) ⁵	0.84
Sharpe Ratio ⁶	-1.66
Information Ratio ⁷	-1.65
Port. Weighted Yield to Maturity (%)	1.79
Number of Holdings	20

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	55.20
Corporates	18.83
Fixed Income Funds	10.38
Cash & Cash Equivalents ⁸	15.59

Asset Valuation

Marked-to-Market	36.89
Amortized Cost	63.11

Maturity Profile

Less than 1 year	38.37
1 – 3 years	23.62
3 – 5 years	17.96
More than 5 years	20.05

FUND FACTS

Classification:	Medium Term Bond Fund
Launch Date:	January 19, 2006
Dealing Day:	Daily up to 2:00 PM
Minimum Investment: ¹	EUR 500.00
Min. Subsequent Order: ¹	EUR 500.00
Minimum Holding Period:	180 calendar days
Redemption Settlement:	T+0 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee: ²	0.375% per annum
Total Fund NAV (Mn) :	EUR 15.41

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	-0.19	0.23	1.10	-2.78	-1.03	39.46
Benchmark	0.28	1.60	2.48	1.24	-0.04	9.21

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	1.10	-2.11	-0.93	-1.08	-0.21	1.90
Benchmark	2.48	0.96	0.41	0.15	-0.01	0.50

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2022	2021	2020	2019	2018
Fund	0.66	-4.71	0.38	-0.25	3.33	-0.50
Benchmark	2.19	-0.04	-0.71	-0.64	-0.62	-0.69

BENCHMARK

3-month German T-Bill

TOP HOLDINGS

Name	Maturity	%
Republic of the Philippines Bond	2027	12.21
Fixed Income Fund		10.38
Republic of the Philippines Bond	2029	8.41
ING Bank NV	2025	6.42
Mexico Sovereign Bond	2026	6.33

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 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 JP Morgan Asia Credit Index (JACI) Philippines lost 2.46% in September as Philippine dollar-denominated bonds tracked US Treasuries.

Global bonds continued to experience volatility in September as rising oil prices (Brent crude oil prices rising +9.7% MoM) caused speculation that the “higher for longer” rate rhetoric was likely to happen. During their Federal Open Market Committee meeting held mid-month, the US Federal Reserve kept interest rates steady but indicated that another hike was to be expected before end-2023. Furthermore, the Committee saw fewer cuts in for both 2024 and 2025. Some analysts took these changes to mean a more “hawkish” stance, causing a sell-off in US Treasuries. Consequently, the 10-year US Treasury benchmark yield spiked to as high as 4.61% before ending 46 basis points higher month-on-month at 4.57%.

Towards end September, the Bureau of the Treasury announced a 5.5year Retail Dollar Bond (RDB) issuance. The Bond was priced on September 27 at a coupon rate of 5.75%, with an initial issue size of US\$611.2 million. At issuance, the RDBs were priced around 113 basis points higher than US Treasuries and 50 basis points higher than the closest liquid ROPs and Indonesian Dollar Sovereigns. The bonds will continue to be offered until October 6, 2023, unless the BTr chooses to close earlier. Issue date will be on October 11.

In the local space, inflation for the month of August bounced back to 5.3% year-on-year from the 4.7% print in July. The figure was higher than market expectations (consensus estimate: +4.8% YoY), and was brought about by rising food and fuel prices. It also marked the first inflation uptick in seven months, causing some speculation that the Bangko Sentral ng Pilipinas (BSP) could be more hawkish moving forward. During its Monetary Policy meeting held mid-month, the BSP kept its overnight benchmark rate steady but hiked its inflation forecasts for both 2023 and 2024. Furthermore, BSP Governor Eli Remolona stated during an interview that rate cuts for 2023 were off the table while rate hikes were not. The BSP noted that it would remain vigilant of its inflation target and stood ready to adjust policy rates as necessary moving forward.

Fund Performance. The Fund returned -0.19% for the month, underperforming its benchmark by 47 basis points. Year-to-date, return amounted to 0.66%, underperforming its benchmark by 153 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.