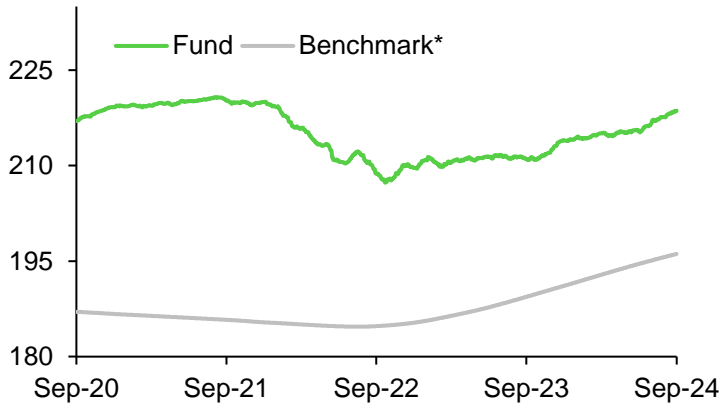


**FUND OVERVIEW**

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 218.65

**STATISTICS**

Weighted Ave Duration (Yrs)	3.64
Volatility, Past 1 Year (%) <sup>5</sup>	0.69
Sharpe Ratio <sup>6</sup>	0.06
Information Ratio <sup>7</sup>	0.06
Port. Weighted Yield to Maturity (%)	2.09
Number of Holdings	21

**PORTFOLIO COMPOSITION**

Allocation	% of Fund
Government	58.99
Corporates	9.15
Fixed Income Funds	10.38
Cash & Cash Equivalents <sup>8</sup>	21.48

**Asset Valuation**

Marked-to-Market	51.87
Amortized Cost	48.13

**Maturity Profile**

Less than 1 year	35.32
1 – 3 years	24.50
3 – 5 years	15.02
More than 5 years	25.16

**FUND FACTS**

<b>Classification:</b>	Medium Term Bond Fund
<b>Launch Date:</b>	January 19, 2006
<b>Dealing Day:</b>	Daily up to 2:00 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 14.63

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

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>0.45</b>	<b>1.67</b>	<b>3.61</b>	<b>-0.71</b>	<b>-0.78</b>	<b>44.50</b>
<b>Benchmark</b>	0.26	1.74	3.57	5.57	4.21	13.12

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>3.61</b>	<b>2.35</b>	<b>-0.24</b>	<b>0.18</b>	<b>-0.16</b>	<b>1.99</b>
<b>Benchmark</b>	3.57	3.02	1.82	1.19	0.83	0.66

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

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>2.18</b>	<b>2.07</b>	<b>-4.71</b>	<b>0.38</b>	<b>-0.25</b>	<b>3.33</b>
<b>Benchmark</b>	2.64	3.11	-0.04	-0.71	-0.64	-0.62

**BENCHMARK**

3-month German T-Bill

**TOP HOLDINGS**

Name	Maturity	%
Republic of the Philippines Bonds	2027	13.26
PIMCO GIS Income Fund		10.38
Republic of the Philippines Bonds	2029	8.87
Republic of the Philippines Bonds	2041	8.47
Time Deposit		6.84

<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 Inc. (BII), 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.** German Bund yields declined in September as the European Central Bank cut its key interest rates for the second time this year. The 10-year German Bund yield fell by 18 bps from 2.30% to 2.12% in the same period.

Euro area inflation eased from 2.6% in July to 2.2% in August. At the same time, euro area GDP slowed from 0.3% quarter-on-quarter in the first quarter of 2024 to 0.2% in 2Q24 with Germany reporting a 0.1% economic decline. Moreover, latest Purchasing Managers Index (PMI) were at multi-month lows, pointing to underwhelming manufacturing and services activities.

On the domestic front, August inflation came in at 3.3%, lower than the previous print of 4.4% and the 3.6% median forecast. The sharp decline was brought by slower year-on-year increase in rice prices, decline in oil prices, and cheaper imports through stronger Philippine peso against the US dollar. In a surprise move, the Bangko Sentral ng Pilipinas slashed banks' reserve requirement ratio from 9% to 7.5%. This policy change will free up more cash in banks, making it available for investing or lending.

**Fund Performance.** The Fund returned 0.45% for the month, outperforming its benchmark by 19 basis points. Year-to-date, return amounted to 2.18%, underperforming its benchmark by 46 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.