

FUND OVERVIEW

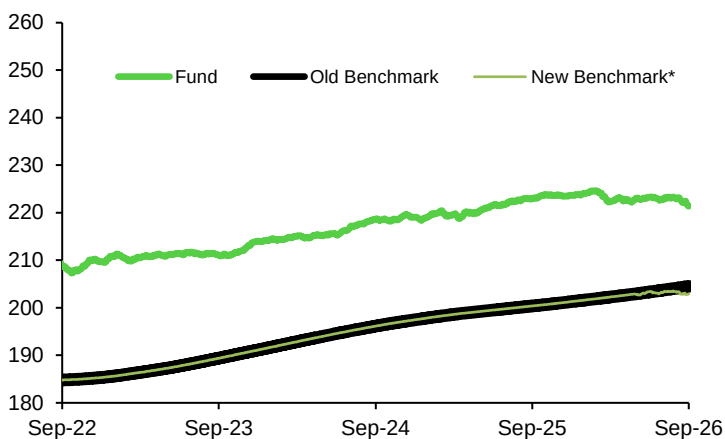
The Fund aims to achieve capital preservation through a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities, such as but not limited to, Euro-denominated government securities, corporate notes and bonds, and fixed income funds.

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 221.39

STATISTICS

Weighted Ave Duration (Yrs)	3.93
Volatility, Past 1 Year (%) ⁵	6.86
Sharpe Ratio ⁶	0.55
Information Ratio ⁷	0.66
Port. Weighted Yield to Maturity (%)	3.33
Number of Holdings	20

PORTFOLIO COMPOSITION

Allocation % of Fund

Government	60.66
Corporates	23.01
CIS	11.60
Cash & Money Market Instruments ⁸	4.72

Asset Valuation

Marked-to-Market	65.07
Amortized Cost	34.93

Maturity Profile

Less than 1 year	28.35
1 – 3 years	23.02
3 – 5 years	18.20
More than 5 years	30.44

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 9.97

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	-0.79	-0.40	-0.71	4.91	0.54	46.31
Benchmark	-0.22	0.35	1.29	7.18	9.25	17.05

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	-0.71	0.62	1.61	1.48	0.11	1.85
Benchmark	1.29	1.73	2.34	2.37	1.78	0.76

CALENDAR YEAR PERFORMANCE (%) ³

	YTD	2025	2024	2023	2022	2021
Fund	-1.02	2.14	2.34	2.07	-4.71	0.38
Benchmark	0.84	1.96	3.31	3.11	-0.04	-0.71

BENCHMARK

60% 3-Month German Treasury Bills + 40% Bloomberg Euro Aggregate 1–5 Year Index⁹

TOP HOLDINGS

Name	Maturity	%
Republic of the Philippines Bonds	2029	13.02
Republic of the Philippines Bonds	2027	10.02
McDonald's Corp.	2029	9.35
Republic of the Philippines Bonds	2032	6.81
Standard Chartered	2033	5.82

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

⁹Effective June 1, 2026, the benchmark was changed from the 3-month German Treasury bill rate to a composite benchmark comprising 60% of the 3-month German Treasury bill rate and 40% of the Bloomberg Euro Aggregate 1–5 Year 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. The Bloomberg European Aggregate Total Return Index declined by approximately 1.76% in September 2026, as European government bonds sold off sharply across maturities. The month also marked the weakest quarterly performance for global government bonds since end-2024, with persistent energy-driven inflation pressures from the Iran war and a decisive European Central Bank (ECB) rate hike pushing yields materially higher.

The ECB raised its deposit rate by 25 basis points to 2.5% on September 10, its second hike since the Iran conflict began in February. New quarterly ECB forecasts pointed to stronger inflation pressures alongside faster growth, reinforcing the case for tighter policy. September CPI readings released on September 30 for Germany, France, Italy, and Spain also exceeded analyst estimates.

The 10-year OAT-Bund spread widened to 120 basis points on September 30, its highest level since 2012, as investors grew more concerned about potential political upheaval ahead of France's presidential election next year. This led OATs to underperform Bunds and BTPs by a wide margin across the curve. OATs recorded the largest average curve-wide yield increase at +56.1 bps, more than double the Bund move of +21.8 bps, while Italian BTPs rose by +38.8 bps. Bund yield moves were broadly parallel, reflecting ECB rate repricing, while OAT and BTP curves were steeper in the belly and long end as global term-premium pressures and country-specific risks amplified the sell-off.

Fund Performance. The Fund returned -0.79% for the month, underperforming with its benchmark by 57 basis points. Year-to-date, return amounted to -1.02%, underperforming its benchmark by 186 basis points.

Fund Strategy. The Fund looks to maintain a nimble portfolio position to take advantage of any opportunities arising from volatility in global bond markets. Near-term risks remain, particularly those associated with oil price fluctuations, disruptions in seaborne trade, and evolving central bank policy guidance. The portfolio will be actively managed to navigate these market conditions. 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.