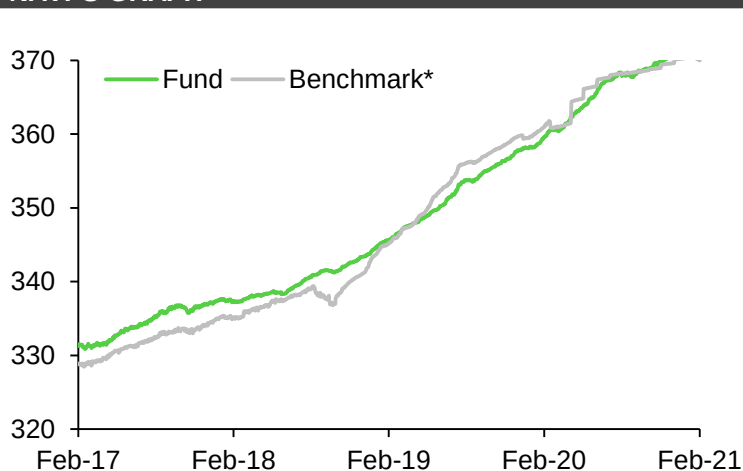


FUND OVERVIEW

The Fund aims to achieve a steady stream of income by investing in a diversified portfolio of Philippine Peso denominated high-grade fixed income instruments, such as, but not limited to, government securities, corporate notes and bonds, and fixed income funds.

The fund is suitable for investors who:

- Are at least classified as **moderately conservative** 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 371.00

STATISTICS

Weighted Ave Duration (Yrs)	2.41
Volatility, Past 1 Year (%) ⁵	0.60
Sharpe Ratio ⁶	2.97
Information Ratio ⁷	0.64
Port. Weighted Yield to Maturity (%)	3.75

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	16.89
Corporates	67.68
Fixed Income Funds	1.18
Cash & Cash Equivalents	7.36
Preferreds	6.89

Asset Valuation

Marked-to-Market	19.36
Amortized Cost	80.64

TOP THREE FIXED INCOME HOLDINGS

Name	Maturity	%
SM Investments Corporation Bond	12/9/2023	3.01
Ayala Corporation Bond	2/10/2025	2.91
Metro Pacific Investments Corp. Bond	6/30/2021	2.70

FUND FACTS

Classification:	Medium Term Bond Fund
Launch Date:	July 18, 1997
Dealing Day:	Daily up to 01:00 PM
Minimum Investment: ¹	PHP 5,000.00
Min. Subsequent Order: ¹	PHP 1,000.00
Minimum Holding Period:	90 calendar days
Redemption Settlement:	T+1 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee: ²	1.00% per annum
Total Fund NAV (Mn) :	PHP 44,883.57

CUMULATIVE PERFORMANCE (%) ³

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. ⁴
Fund	-0.16	0.30	0.78	3.14	9.97	271.00
Benchmark	-0.11	0.16	0.50	2.45	10.43	198.34

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	3.14	3.60	3.22	2.85	2.63	5.71
Benchmark	2.45	3.52	3.36	2.99	2.71	4.74

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2020	2019	2018	2017	2016
Fund	-0.02	3.71	4.20	1.87	2.20	2.17
Benchmark	-0.03	2.90	5.43	2.04	2.04	1.66

BENCHMARK

75% of the 91-day Philippine Treasury Bill (net of tax) + 25% of the BPI Philippine Government 1-5 Year Index

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. Consumer prices rose higher than expected at 4.2% in January as food prices continue to rise from supply-side shocks. In its February 11 meeting, the Bangko Sentral ng Pilipinas left the key policy rate unchanged at 2% as expected and revised their inflation forecasts to 4% (prev. 3.2%) for 2021 and 2.7% (prev 2.9%) in 2022. The BSP has also released projections for February 2021 inflation to settle within the 4.3%-5.1% range as the continued uptick in global crude oil prices and elevated fish prices will put upward pressure in CPI for February. However, BSP Gov. Diokno sees the inflation uptick as only temporary and expects inflation to move back within the 2%-4% target range in the second half of 2021.

This month, the Bureau of the Treasury reissued Php 30 Bn of the 10 yr paper FXTN 10-65 with 2.875% coupon at an average yield of 3.066%. Although fully awarded, the BTr recorded a lesser number of bids than previous shorter tenored treasury bond auctions as market participants were notably less eager to pile on duration. The Bureau of the Treasury priced the new 3 yr retail treasury bond RTB 3-11 at 2.375% and have sold over Php 400 Bn worth of bonds as of February 26. The new 3yr RTB will settle on March 9, 2021.

Fund Performance. The Fund returned -0.16% for the month, underperforming its benchmark by 5 basis points. Year-to-date, return amounted to -0.02%, outperforming its benchmark by 1 basis point.

Fund Strategy. The fund will maintain its liquidity and 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.