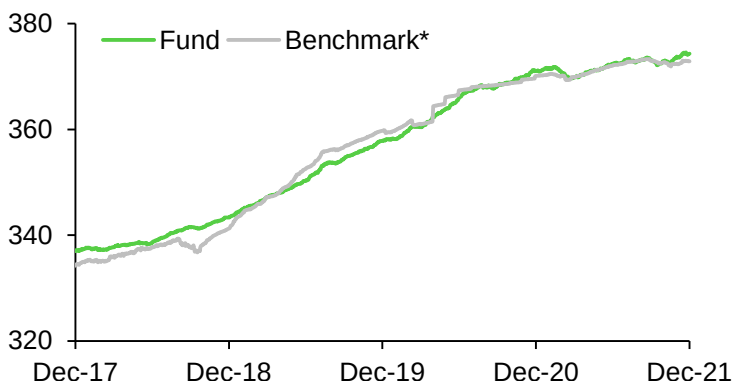


FUND OVERVIEW

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 374.34

STATISTICS

Weighted Ave Duration (Yrs)	2.64
Volatility, Past 1 Year (%) ⁵	0.52
Sharpe Ratio ⁶	-0.16
Information Ratio ⁷	0.77
Port. Weighted Yield to Maturity (%)	3.26
Number of Holdings	123

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	26.16
Corporates	62.05
Fixed Income Funds	2.29
Cash & Cash Equivalents ⁸	6.75
Preferreds	2.75

Asset Valuation

Marked-to-Market	23.09
Amortized Cost	76.91

Maturity Profile

Less than 1 year	46.33
1 – 3 years	15.24
3 – 5 years	10.66
More than 5 years	27.77

FUND FACTS

Classification:	Medium Term Bond Fund
Launch Date:	July 18, 1997
Dealing Day:	Daily up to 11:00 AM
Minimum Investment: ¹	PHP 5,000.00
Min. Subsequent Order: ¹	PHP 1,000.00
Minimum Holding Period:	90 calendar days
Redemption Settlement:	T+0 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee: ²	1.00% per annum
Total Fund NAV (Mn) :	PHP 44,093.82

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.21	0.53	0.88	9.02	13.51	274.34
Benchmark	0.14	0.23	0.75	9.31	13.81	200.67

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	0.88	2.29	2.92	2.66	2.57	5.54
Benchmark	0.75	1.82	3.01	2.77	2.62	4.60

CALENDAR YEAR PERFORMANCE (%) ³

	YTD	2020	2019	2018	2017	2016
Fund	0.88	3.71	4.20	1.87	2.20	2.17
Benchmark	0.75	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

TOP HOLDINGS

Name	Maturity	%
Fixed Rate Treasury Bond	2028	6.36
Ayala Corporation Bond	2025	2.96
Aboitiz Equity Ventures Bond	2027	2.72
Fixed Rate Treasury Bond	2039	2.65
Fixed Rate Treasury Bond	2031	2.46

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 Bangko Sentral ng Pilipinas kept interest rates unchanged as expected, in their last policy rate meeting for the year held on December 16. BSP Governor Benjamin Diokno continues to maintain the central bank's accommodative stance to help sustain the country's economic recovery. The BSP increased their inflation forecasts slightly though to 3.4% for 2022 and 3.2% for 2023. Inflation eased though in December to 3.6% which was largely unexpected coming from 4.2% YoY figure from the previous month. This brought the full-year average to 4.4%. This was way above the 2-4% target range of the government for the entire year. Another catalyst for local yields was the release of the government's PhP 200 billion borrowing program in January. As a result, yields on average moved slightly higher with 3-year government bonds ending the year at 2.8%, while 5-year bonds were at 3.9%. The 7-year bond ended the year at 4.6% and the 10-year bonds was at 4.8% by year-end.

Fund Performance. The Fund returned 0.21% for the month, beating its benchmark by 7 basis points. Year-to-date, return amounted to 0.88%, outperforming its benchmark by 13 basis points.

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.