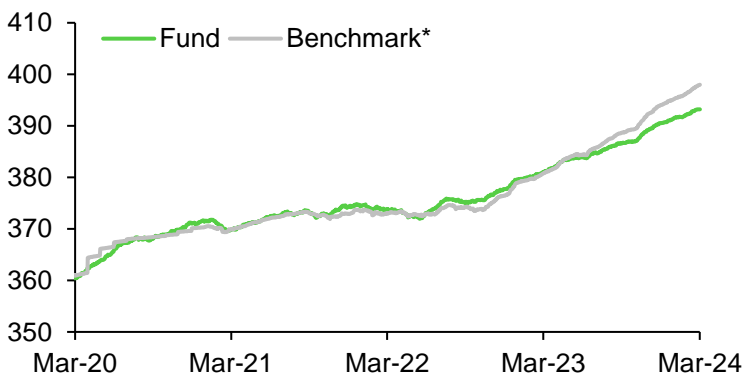


FUND OVERVIEW

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 393.20

STATISTICS

Weighted Ave Duration (Yrs)	3.28
Volatility, Past 1 Year (%) ⁵	0.31
Sharpe Ratio ⁶	-4.21
Information Ratio ⁷	-5.09
Port. Weighted Yield to Maturity (%)	4.51
Number of Holdings	90

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	42.26
Corporates	54.16
Fixed Income Funds	0.00
Cash & Cash Equivalents ⁸	3.58

Asset Valuation

Marked-to-Market	25.34
Amortized Cost	74.66

Maturity Profile

Less than 1 year	21.93
1 – 3 years	20.05
3 – 5 years	33.47
More than 5 years	24.54

FUND FACTS

Classification:	Medium Term Bond Fund
Launch Date:	July 18, 1997
Dealing Day:	Daily up to 2:00 PM
Minimum Investment: ¹	PHP 1,000.00
Min. Subsequent Order: ¹	Equivalent amount of 1 share*
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 36,090.53

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.26	1.72	3.22	6.30	13.29	293.20
Benchmark	0.38	2.38	4.48	7.55	14.59	220.68

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	3.22	2.55	2.06	2.19	2.53	5.26
Benchmark	4.48	3.27	2.46	2.46	2.76	4.46

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2023	2022	2021	2020	2019
Fund	0.69	3.38	0.91	0.88	3.71	4.20
Benchmark	0.98	4.65	0.94	0.75	2.90	5.43

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	%
Retail Treasury Bond	2029	7.49
Fixed Rate Treasury Note	2032	4.16
Retail Treasury Bond	2027	4.12
Ayala Corporation Bond	2025	3.69
Aboitiz Equity Ventures Bond	2027	3.32

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 BPI Government Bond Index returned 0.51% in March as the local yield curve fell 2 basis points (bps) on average. Average daily trading volume for the month amounted to Php19.73 billion, higher than February's Php16.78 billion with trades mostly seen on the belly of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in March. The 7-year FXTN 07-71, 10-year FXTN 10-72, 20-year FXTN 20-26, and 6-year FXTN 07-70 reissuances were all fully awarded at average yields of 6.270%, 6.227%, 6.189% and 6.237%, respectively. Towards the end of the month, the BTr announced the borrowing schedule for the second quarter of 2024, with weekly Treasury Bill auctions and monthly FXTN issuances (7-, 10-, 15- and 20-year tenors) and an additional 3-year issuance in May with an offer size of PHP30 billion each.

In the local space, February headline inflation rose by 3.4% year-on-year from previous month's 2.8%. The four straight months of inflation slowdown ended after rice prices rose 23.7% year-on-year due to tight supply and high world prices. BSP Governor Eli Remolona mentioned that while it's too soon to ease policy rates, it is unlikely to tighten more. The policymakers remain ready to adjust the rate settings to maintain price stability.

Fund Performance. The Fund returned 0.26% for the month, underperforming its benchmark by 12 basis points. Year-to-date, return amounted to 0.69%, underperforming its benchmark by 29 basis points.

Fund Strategy. The fund manager is looking to gradually add duration since the BSP has decided to pause hiking rates in their last 2 policy rate meetings given the easing inflationary environment. 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.