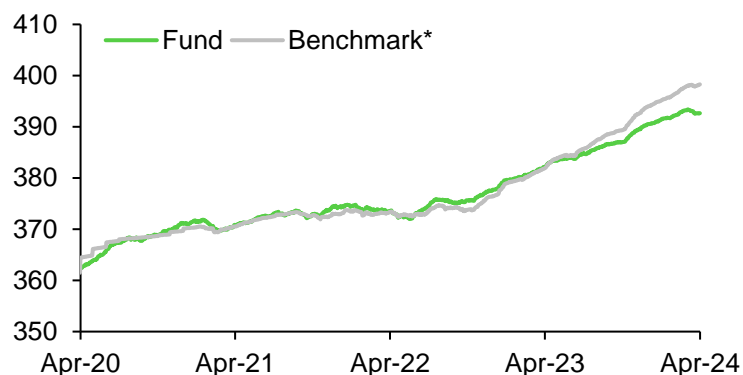


**FUND OVERVIEW**

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 392.62

**STATISTICS**

Weighted Ave Duration (Yrs)	3.20
Volatility, Past 1 Year (%) <sup>5</sup>	0.32
Sharpe Ratio <sup>6</sup>	-5.94
Information Ratio <sup>7</sup>	-6.71
Port. Weighted Yield to Maturity (%)	4.57
Number of Holdings	90

**PORTFOLIO COMPOSITION**

Allocation	% of Fund
Government	41.20
Corporates	53.46
Fixed Income Funds	0.00
Cash & Cash Equivalents <sup>8</sup>	4.62
Preferreds	0.72

**Asset Valuation**

Marked-to-Market	25.59
Amortized Cost	74.41

**Maturity Profile**

Less than 1 year	23.77
1 – 3 years	21.43
3 – 5 years	30.22
More than 5 years	24.58

**FUND FACTS**

<b>Classification:</b>	Medium Term Bond Fund
<b>Launch Date:</b>	July 18, 1997
<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Minimum Investment:</b> <sup>1</sup>	PHP 1,000.00
<b>Min. Subsequent Order:</b> <sup>1</sup>	Equivalent amount of 1 share*
<b>Minimum Holding Period:</b>	90 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>	1.00% per annum
<b>Total Fund NAV (Mn) :</b>	PHP 35,600.16

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

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	-0.15	1.45	2.73	5.90	12.83	292.62
<b>Benchmark</b>	0.12	2.29	4.30	7.49	14.40	221.05

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	2.73	2.52	1.93	2.02	2.44	5.24
<b>Benchmark</b>	4.30	3.28	2.44	2.25	2.73	4.45

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

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	0.54	3.38	0.91	0.88	3.71	4.20
<b>Benchmark</b>	1.10	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	7.43
Fixed Rate Treasury Note	2032	4.21
Retail Treasury Bond	2027	4.16
Ayala Corporation Bond	2025	3.74
Aboitiz Equity Ventures Bond	2027	3.37

<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 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 fell 2.11% in April as the local yield curve rose 64 basis points (bps) on average. Average daily trading volume for the month amounted to Php14.73 billion, lower than March's Php19.73 billion with trades mostly seen on the belly of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in April. The 7-year FXTN 07-71 was fully awarded at an average yield of 6.299%. The 10-year FXTN 10-72, and 20-year FXTN 20-26 reissuances were partially awarded at average yields of 6.365%, and 6.900%, respectively. The bids for the FXTN 20-23 issuance were fully rejected. Had the BTr awarded the bids for the 15-year paper, average rates would have risen to 6.987%.

In the local space, March headline inflation rose further by 3.7% year-on-year from the previous month's 3.4%. Food, transport, and restaurants were the main driver of inflation, with rice prices reporting 24.4% increase year-on-year, fastest pace since 2009. Despite the recent spike in prices, inflation print managed to stay within the central bank's 2 to 4% target range. During the recent Monetary Board meeting, the BSP held their policy rate steady at 6.5% after a higher inflation figure. The central bank also revised their 2024 risk-adjusted inflation forecast from 3.9% to 4.0% as risks to the inflation remain tilted to the upside.

**Fund Performance.** The Fund returned -0.15% for the month, underperforming its benchmark by 27 basis points. Year-to-date, return amounted to 0.54%, underperforming its benchmark by 56 basis points.

**Fund Strategy.** The fund manager will add duration since the BSP has decided to pause hiking rates in their last policy rate meeting 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.