

FUND OVERVIEW

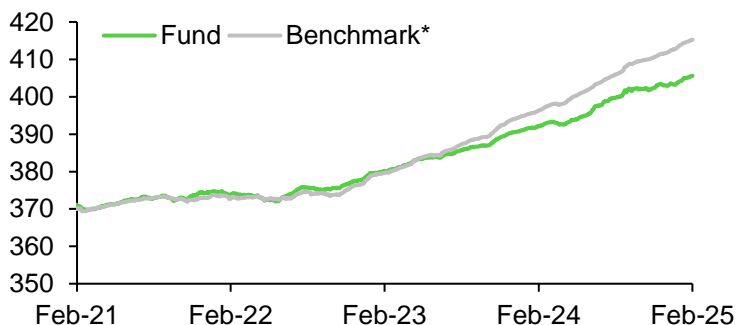
The Fund aims to achieve a steady stream of income by investing in a diversified portfolio of Philippine Peso denominated high-grade fixed income instruments, such as, but not limited to, government securities, corporate notes and bonds, and fixed income funds.

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 405.64

STATISTICS

Weighted Ave Duration (Yrs)	3.93
Volatility, Past 1 Year (%) ⁵	0.51
Sharpe Ratio ⁶	-2.10
Information Ratio ⁷	-3.44
Port. Weighted Yield to Maturity (%)	4.65
Number of Holdings	90

PORTFOLIO COMPOSITION

Allocation % of Fund

Government	47.95
Corporates	48.90
Cash & Cash Equivalents ⁸	2.41
Preferreds	0.74

Asset Valuation

Marked-to-Market	31.93
Amortized Cost	68.07

Maturity Profile

Less than 1 year	17.83
1 – 3 years	21.98
3 – 5 years	23.14
More than 5 years	37.05

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	1.25% per annum
Total Fund NAV (Mn) :	PHP 34,772.20

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.35	1.46	3.43	8.54	12.77	305.64
Benchmark	0.34	2.30	4.80	11.41	15.00	234.74

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	3.43	3.29	2.77	2.26	2.43	5.20
Benchmark	4.80	4.58	3.67	2.93	2.83	4.47

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2024	2023	2022	2021	2020
Fund	0.68	3.18	3.38	0.91	0.88	3.71
Benchmark	0.87	4.52	4.65	0.94	0.75	2.90

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	7.85
Fixed Rate Treasury Note	2044	4.53
Fixed Rate Treasury Note	2032	4.32
Fixed Rate Treasury Note	2034	3.55
Aboitiz Equity Ventures, Inc.	2027	3.46

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 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. Domestic fixed income assets performed well in February 2025, with the BPI Government Bond Index posting a return of 1.13% year-to-date. This came even after the Bangko Sentral ng Pilipinas (BSP) surprised investors and decided to keep their key interest rates steady in their February policy meeting. In lieu of a policy rate cut, the BSP announced a cut in the bank's Rate Reserve Requirement (RRR) from the current 7% down to 5%. This move is estimated to release PHP 300Bn of additional liquidity into the system which may cause rates to decline further. Another headwind was inflation with the CPI print for the month of January coming out at 2.9%, the same figure as in December. In spite of all these, the BSP is still widely expected to cut the policy rates by a total of 0.5% (50 basis points) in 2025. For the month of February, the BTr held a total of 4 issuances. All auctions received strong demand, with the 5-, 7-, 10- and 20-year papers seeing average awarded yields of 5.968%, 5.973%, 6.118% and 6.376%, respectively. March will continue to see issuances across the curve with 5-, 7, 10, 3- and 25-year papers slated to be offered.

Fund Performance. The Fund returned 0.35% for the month, outperforming its benchmark by 1 basis point. Year-to-date, return amounted to 0.68%, underperforming its benchmark by 19 basis points.

Fund Strategy. The Fund looks to gradually increase its duration position as interest rates are expected to fall over the next few months. Local inflation has settled within the BSP's target in the past months and is expected to be manageable. After easing its policy rates by 75 basis points in 2024, the BSP remains vigilant in monitoring inflation figures before easing rates further. Volatility may persist in the near term driven by global factors, and the portfolio will be actively managed to take advantage of this. 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.