

FUND OVERVIEW

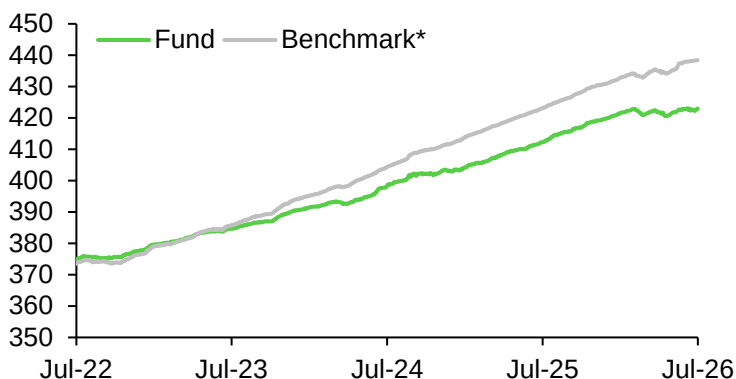
The Fund aims to achieve a steady stream of income by investing in a diversified portfolio of Philippine Peso denominated high-grade fixed income instruments, such as, but not limited to, government securities, corporate notes and bonds, and fixed income funds.

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 423.01

STATISTICS

Weighted Ave Duration (Yrs)	3.07
Volatility, Past 1 Year (%) ⁵	0.53
Sharpe Ratio ⁶	-2.52
Information Ratio ⁷	-2.77
Port. Weighted Yield to Maturity (%)	4.89
Number of Holdings	116

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	48.84
Corporates	46.59
CIS	-
Cash & Money Market Instruments ⁸	3.58
Preferreds	0.99

Asset Valuation

Marked-to-Market	36.19
Amortized Cost	63.81

Maturity Profile

Less than 1 year	24.97
1 – 3 years	26.46
3 – 5 years	24.57
More than 5 years	24.00

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 36,730.52

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.03	0.35	2.61	9.90	13.38	323.01
Benchmark	0.13	1.30	3.62	13.66	17.68	253.28

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	2.61	3.04	3.20	3.09	2.54	5.09
Benchmark	3.62	4.13	4.36	4.08	3.31	4.42

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2025	2024	2023	2022	2021
Fund	0.73	4.22	3.18	3.38	0.91	0.88
Benchmark	1.74	4.66	4.52	4.65	0.94	0.75

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	2030	6.20
Retail Treasury Bond	2029	5.28
Fixed Rate Treasury Note	2031	5.21
Retail Treasury Bond	2027	4.35
Fixed Rate Treasury Note	2032	4.08

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. Philippine government bond prices declined in July as yields moved higher amid renewed geopolitical tensions in the Middle East. During the month, the Memorandum of Understanding between the United States and Iran unraveled, leading to renewed military strikes and disruptions to shipping activities in the Strait of Hormuz. As a result, oil prices surged from around \$70 per barrel to as high as \$100 during the month, reigniting global inflation concerns, particularly among oil-importing countries such as the Philippines. While domestic inflation eased from 6.8% in May to 6.4% in June, the inflationary implications of higher oil prices weighed more heavily on market sentiment.

Against this backdrop, local bond yields rose by an average of 30 basis points during the month, with the 5-year benchmark government bond yield increasing from 6.75% to 7.33%. Investor sentiment remained cautious, as foreign investors recorded net outflows of Php10 billion in July, bringing cumulative year-to-date outflows to Php275 billion.

Meanwhile, the Bureau of the Treasury raised Php135 billion through its regular bond auctions, falling short of its Php160 billion target. The shortfall came after the BTr fully rejected bids for a 7-year Treasury bond offering, as investors demanded significantly higher yields amid the uncertain market environment.

Fund Performance. The Fund returned 0.03% for the month, underperforming its benchmark by 10 basis points. Year-to-date, return amounted to 0.73%, underperforming its benchmark by 101 basis points.

Fund Strategy. The Fund looks to maintain a nimble portfolio position to take advantage of any opportunities as interest rates are seen to increase over the next few months. Local inflation will continue to be affected by geopolitical tensions in the Middle East and is likely to breach the BSP's targeted range over the medium-term. Likewise, the upcoming super El Nino is expected to add upside pressure on local food prices, which may drive yields further. Volatility will persist in the near term driven all these 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.