

## FUND OVERVIEW

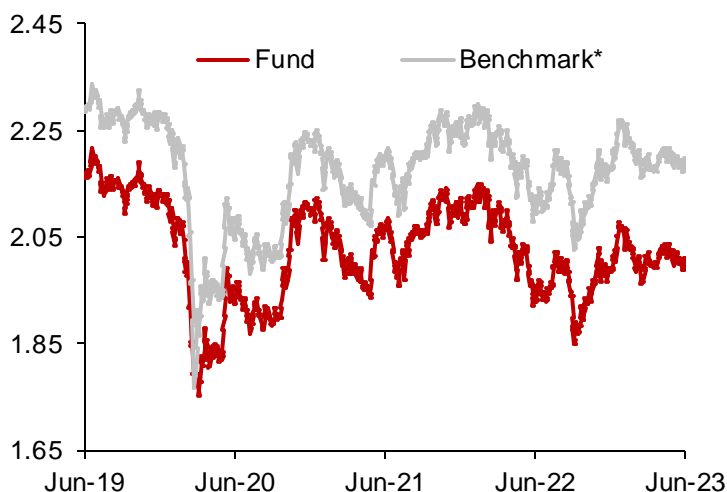
The Fund aims to achieve long-term capital appreciation by investing in a diversified portfolio of equities and fixed income instruments.

The fund is suitable for investors who:

- Are at least classified as **aggressive** based on their risk profile.
- have an investment horizon of up **at least five (5) years**.

## FUND PERFORMANCE AND STATISTICS *(Purely for reference purposes and is not a guarantee of future results)*

### NAVPS GRAPH



### STATISTICS

Portfolio Beta	1.03
Volatility, Past 1 Year (%) <sup>5</sup>	9.95
Sharpe Ratio <sup>6</sup>	0.07
Information Ratio <sup>7</sup>	-0.09
Number of Holdings	31

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.61
Government & Corporates	31.37
Fixed Income Funds	0.00
Cash, Cash Equivalents <sup>8</sup>	12.33
Preferreds	5.69

### Sector Holdings (Equity Portion)

Holding Firms	16.33
Property	9.22
Financials	10.99
Services	5.95
Industrials	8.12
Mining and Oil	0.00

## FUND FACTS

<b>Classification:</b>	Balanced Fund
<b>Launch Date:</b>	July 30, 2009
<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Minimum Investment:</b> <sup>1</sup>	PHP 5,000.00
<b>Min. Subsequent Order:</b> <sup>1</sup>	PHP 1,000.00
<b>Minimum Holding Period:</b>	180 calendar days
<b>Redemption Settlement:</b>	T+3 End-of-Day
<b>Early Redemption Charge:</b>	1.00%
<b>Total Management Fee:</b> <sup>2</sup>	1.50% per annum
<b>Total Fund NAV (Mn) :</b>	PHP 132.54

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

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>-0.15</b>	<b>0.65</b>	<b>3.98</b>	<b>3.27</b>	<b>-1.37</b>	<b>94.45</b>
Benchmark	0.13	0.38	4.57	6.13	3.39	84.75

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	<b>3.98</b>	<b>-1.43</b>	<b>1.08</b>	<b>-1.86</b>	<b>-0.28</b>	<b>4.89</b>
Benchmark	4.57	-0.14	2.00	-1.05	0.67	4.51

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

	YTD	2022	2021	2020	2019	2018
<b>Fund</b>	<b>0.65</b>	<b>-4.85</b>	<b>-0.13</b>	<b>-1.49</b>	<b>2.58</b>	<b>-7.70</b>
Benchmark	0.38	-2.67	0.79	-2.29	4.38	-4.86

### BENCHMARK

50% Philippine Stock Exchange Index (PSEi) and 50% return of the 91-day Philippine Treasury Bill.

### TOP HOLDINGS

Name	Maturity	%
Retail Treasury Bond	2024	15.08
SM Investments Corporation		7.71
Petron Corp. Bond	2024	7.54
SM Prime Holdings, Inc.		6.12
BDO Unibank, Inc.		5.05

<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

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.

For more information, you can contact us at (02) 8580-0900, email us at [bpi\\_investment@bpi.com.ph](mailto:bpi_investment@bpi.com.ph)

## OUTLOOK AND STRATEGY

**Market Review.** The Philippine Stock Exchange Index (PSEi) finished below the 6,500 level again on muted volumes as worries over the elevated interest rate environment persisted. The US Federal Reserve (The Fed) kept benchmark rates steady in the latest FOMC meeting but still gave a hawkish stance by hinting of potentially two more rate hikes this year. Meanwhile on the local front, the Bangko Sentral ng Pilipinas (BSP) also maintained interest rates with retiring BSP Governor Medalla stating that the central bank will only cut rates should inflation fall within the BSP target band of 2% to 4%. The PSEi dropped 0.14% to 6,468.17 in June.

We saw lackluster trading for the month of June with Average Daily Turnover only at Php4.27 billion or 15% lower month-on-month. Meanwhile, foreigners turned "Net Buyers" at US\$97 million, mostly flowing through banks, particularly BPI and BDO. However, foreign participation fell to 38% compared to 53% in the previous period.

As for individual stock performances, the top three index gainers for the month were: MPI (+9.66%), PLDT (+9.33%) and BPI (+8.85%). Meanwhile, the bottom three index performers included: WLCON (-14.96%), ACEN (-8.02%) and ALI (-7.60%).

The BPI Government Bond Index returned -1.35% in June as the local yield curve inverted, rising 39 basis points (bps) on average. Average daily trading volume fell significantly to PHP8.55 billion from May's PHP21.77 billion with trades mostly seen on the long-end of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in June. The 5-year FXTN 10-63, 15-year FXTN 20-22, 6-year FXTN 7-67, and 9-year FXTN 10-69 re-issuances were all fully awarded at average yields of 5.805%, 6.085%, 6.097%, and 6.243%, respectively. Towards the end of the month, the BTr released the July auction schedule with four Treasury Bill auctions and four FXTN issuances (9-, 15-, 6-, and 7-year tenors) while increasing the offer size to PHP30 billion each.

In the local space, May headline inflation slowed down further to 6.1 % year-on-year, from last month's 6.6% year-on-year. The dwindling inflation figure was primarily driven by decrease in transport prices and slower food inflation. During its scheduled policy meeting, the Bangko Sentral ng Pilipinas (BSP) paused its tightening cycle and kept its policy rate unchanged at 6.25% as headline inflation continued in a downward trend. Moreover, the central bank adjusted its inflation forecast lower for 2023 to 5.4% but higher for 2024 to 2.9%.

**Fund Performance.** The Fund returned -0.15% for the month, underperforming its benchmark by 28 basis points. Year-to-date, return amounted to 0.65%, outperforming its benchmark by 27 basis points.

**Fund Strategy.** The Fund will continue to be defensive as volatility keeps hampering investor sentiment. Elevated interest rates and sticky inflation coupled with slump in major economies are major risk factors. However, we will take advantage of the volatility in buying quality names on dips and sell on excessive market rallies.