

FUND OVERVIEW

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

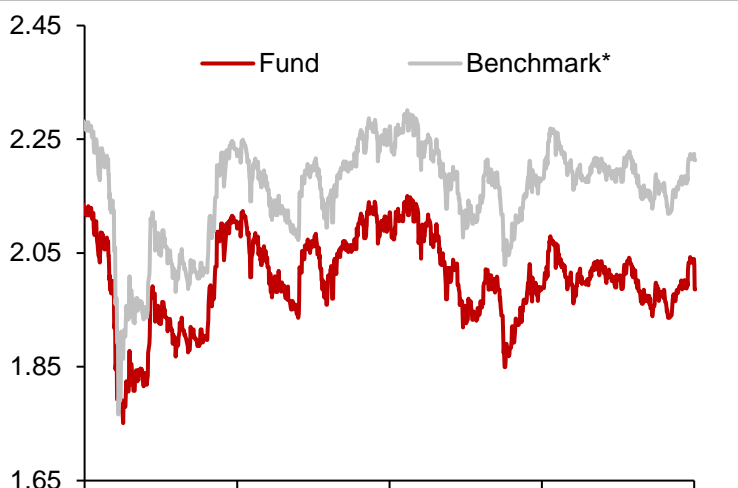
The fund is suitable for investors who:

- 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



NAVPS 2.0280

STATISTICS

Portfolio Beta	1.04
Volatility, Past 1 Year (%) ⁵	8.16
Sharpe Ratio ⁶	-0.30
Information Ratio ⁷	0.08
Number of Holdings	29

PORTFOLIO COMPOSITION

Allocation % of Fund

Equities	51.14
Government & Corporates	34.81
Fixed Income Funds	0.00
Cash, Cash Equivalents ⁸	14.05

Sector Holdings (Equity Portion)

Holding Firms	15.56
Financials	10.49
Property	9.54
Industrials	7.97
Services	7.58
Mining and Oil	0.00

FUND FACTS

Classification:	Balanced Fund
Launch Date:	July 30, 2009
Dealing Day:	Daily up to 2:00 PM
Minimum Investment: ¹	PHP 5,000.00
Min. Subsequent Order: ¹	PHP 1,000.00
Minimum Holding Period:	180 calendar days
Redemption Settlement:	T+2 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee: ²	1.50% per annum
Total Fund NAV (Mn) :	PHP 119.49

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	2.13	1.26	1.91	-3.16	-2.14	96.89
Benchmark	1.99	1.10	1.49	-0.44	1.54	86.78

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	1.91	-1.53	-1.06	-1.17	-0.43	4.81
Benchmark	1.49	-0.61	-0.15	-0.69	0.31	4.43

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2022	2021	2020	2019	2018
Fund	1.91	-4.85	-0.13	-1.49	2.58	-7.70
Benchmark	1.49	-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	16.73
Petron Corp. Bond	2024	8.37
Time Deposit		7.65
SM Investments Corporation		7.33
SM Prime Holdings, Inc.		5.67

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 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

OUTLOOK AND STRATEGY

Market Review. The Philippine Stock Exchange Index (PSEi) finished the last month of the year on a strong note. The PSEi rose along with the global markets' rally on optimism spurred by the US Federal Reserve's (The Fed) decision to hold rates. Furthermore, the Fed discussed cutting rates in 2024 bolstering the dovish signal. On the local economic front, November inflation print was recorded at 4.1%, or lower than the 4.4% estimate. The PSEi rose by 3.64% month-on-month to close at 6,450.04 in December.

Trading activity improved to end the year, with average daily turnover registering at US\$89 mil or +25.4% month-on-month. Meanwhile, foreign buying was sustained for another month at US\$18 million with participation level at 49% in December. Foreigners continued to switch from banks to properties given the expected interest-rate scenario.

In terms of stock performance, the top three gainers for the month include: AGI (+15.10%), ICT (+14.37%) and JFC (+10.94%). Meanwhile, the bottom three performers were: ACEN (-8.75%), SMC (-5.46%) and AEV (-4.70%).

The BPI Government Bond Index returned 1.29% in December as the local yield curve bull flattened, dropping 18 basis points (bps) on average. Average daily trading volume for the month amounted to PHP15.48 billion significantly lower than November's PHP29.54 billion with trades mostly seen on the long end of the curve.

The Bureau of the Treasury (BTr) held only one FXTN auction in December. The 10-year FXTN 10-71, was fully awarded at an average yield of 6.224%. Meanwhile, the scheduled 15-year FXTN issuance was cancelled. Towards the end of the month, the BTr released the auction schedule for the first quarter of 2024, with weekly Treasury Bill auctions and monthly FXTN issuances (3-, 5-, 7- and 10-year tenors) and an additional 20-year issuance in February with an offer size of PHP30 billion each.

In the local space, November headline inflation fell sharply to 4.1% year-on-year from 4.9% last month. The slowdown in inflation was driven by all major subsectors with food inflation decelerating to 5.7% year-on-year from the previous 7% and transport cost contracting by 0.8% year-on-year due to lower global oil prices. The BSP retained its key policy rate at 6.5% during its last monetary board meeting for the year. Despite the inflation figure trending lower, BSP Governor Eli Remolona noted that risks to the inflation outlook remain tilted to the upside.

Fund Performance. The Fund returned 2.13% for the month, beating its benchmark by 14 basis points. Year-to-date, return amounted to 1.91%, outperforming its benchmark by 42 basis points.

Fund Strategy. The Fund will remain defensive amidst the volatility and thin liquidity in the stock market. Elevated interest rates, sticky global inflation, and resilient US dollar will likely continue capping risk assets. The fund will be nimble in maximizing market swings to rebalance in favor of high-quality names.