

FUND OVERVIEW

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

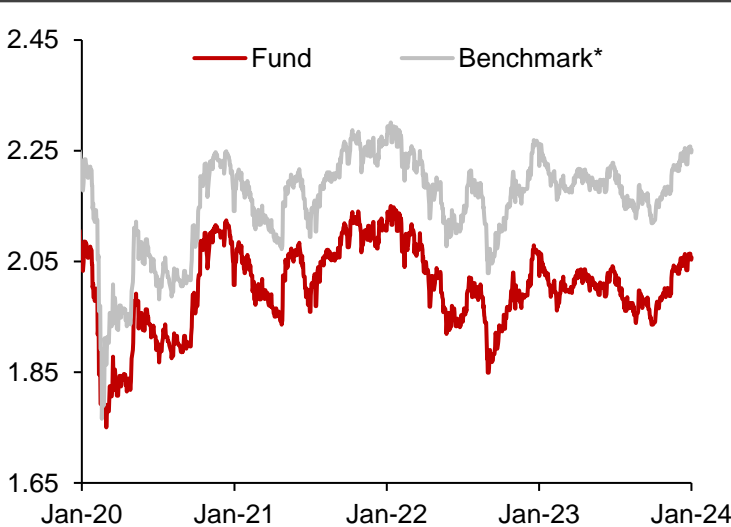
The fund is suitable for investors who:

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

FUND 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 119.65

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	7.80
Sharpe Ratio ⁶	-0.35
Information Ratio ⁷	0.07
Number of Holdings	31

PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.63
Government & Corporates	42.35
Fixed Income Funds	0.00
Cash, Cash Equivalents ⁸	7.02

Sector Holdings (Equity Portion)

Holding Firms	16.03
Financials	11.23
Property	8.76
Industrials	7.55
Services	7.05
Mining and Oil	0.00

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	1.45	1.38	1.66	2.49	-4.50	99.75
Benchmark	1.72	1.66	1.30	5.15	-0.51	89.99

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	1.66	-1.53	0.82	0.15	-0.92	4.88
Benchmark	1.30	-0.61	1.69	0.72	-0.10	4.52

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2023	2022	2021	2020	2019
Fund	1.45	1.91	-4.85	-0.13	-1.49	2.58
Benchmark	1.72	1.49	-2.67	0.79	-2.29	4.38

BENCHMARK

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

TOP HOLDINGS

Name	Maturity	%
Retail Treasury Bond	03/09/2024	16.71
Petron Corp. Bond	04/19/2024	8.36
SM Investments Corporation		7.48
SM Prime Holdings, Inc.		5.21
BDO Unibank, Inc.		4.96

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.**

OUTLOOK AND STRATEGY

Market Review. The Philippine Stock Exchange Index (PSEi) got off to a hot start in 2024. The early-year optimism, fuelled by the prospects of potential rate cuts, has propelled risk assets to gain traction. Further bolstering this is the encouraging local macroeconomic data, which has boosted investor sentiment. Notably, December inflation data came in lower at 3.9% from November's 4.1% and below consensus estimates of 4.0%. In addition to that, 4Q2023 Philippine GDP growth was recorded at 5.6%, exceeding market expectations of 5.2%.

Against this backdrop, the PSEi concluded January at 6,646.44, marking a 3.04% month-on-month return.

Trading activity surged, with the average daily turnover registering at US\$104 mil or 16.6% month-on-month. Foreign investors opened the year as net buyers at positive US\$80 million in January with observable preference for big cap liquid names primarily holding firms and banks.

In terms of stock performance, the top three gainers for the month include: BLOOM (+13.62%), GTCAP (+12.80%) and MBT (+11.31%). Meanwhile, the bottom three performers were: NIKL (-11.68%), MER (-9.27%) and URC (-5.67%).

The BPI Government Bond Index returned -0.18% in January as the local yield curve bear steepened, rising 13 basis points (bps) on average. Average daily trading volume for the month amounted to PHP20.98 billion higher than December's PHP15.48 billion with trades mostly seen on the long end of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in January, all of which are new issuances. The 3-year FXTN 03-30, 5-year FXTN 05-78, 7-year FXTN 07-71, and 10-year FXTN 10-72 were priced at coupon rates of 6.000%, 6.125%, 6.125%, and 6.250%, respectively. In addition, with the tender bids reaching more than PHP100 million, the BTr offer tap issuances for the 7-year and 10-year papers, awarding PHP5 billion each.

In the local space, December headline inflation fell sharply to 3.9% year-on-year from previous month's 4.1%. Despite the December figure being the slowest print since February 2022, average inflation for 2023 concluded at 6%, which is still above the BSP's target range of 2% to 4%. The slowdown was mainly driven by easing inflation from most commodity groups such as housing, water, electricity, gas, and other fuels. Although price pressures are starting to ease, the BSP noted the unlikelihood of cutting policy rates for the first half of the year due to risks of supply shocks, consistent with the tones of the FED and other central banks.

Fund Performance. The Fund returned 1.45% for the month, behind its benchmark by 27 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.