



# BPI PERA MONEY MARKET FUND

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of February 26, 2021

### FUND FACTS

<b>Classification:</b>	PERA Money Market Fund	<b>Net Asset Value per Unit (NAVPU):</b>	PHP 1.12
<b>Launch Date:</b>	December 19, 2016	<b>Total Fund NAV (Mn):</b>	PHP 3.53
<b>Minimum Investment:</b>	PHP 1,000	<b>Dealing Day:</b>	Daily up to 1:30PM
<b>Additional Investment:</b>	PHP 1,000	<b>Redemption Settlement:</b>	T+1 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

### FEES\*

<b>Trustee Fees:</b> 0.5000%	<b>Custodianship Fees:</b> 0%	<b>External Auditor Fees:</b> 0.0063%	<b>Other Fees:</b> 0%
BPI Asset Management	None	Isla Lipana	None

\*As a percentage of ave. daily NAV for the quarter valued at PHP 3,211,672.97

\*Billings for 2018 divided by average daily NAV

### INVESTMENT OBJECTIVE AND STRATEGY

The Fund intends to achieve for its participants liquidity and stable income derived from a diversified portfolio of primarily short-term fixed income instruments. The Fund aims to provide returns in excess of the return of the 91-day Philippine Treasury Bill.

### CLIENT SUITABILITY

A client profiling process shall be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Declaration of Trust / Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

The BPI PERA Money Market Fund is suitable only for investors who:

- Are classified as moderate based on their risk profile
- Have an investment horizon of at least three (3) years.

### KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

**Interest Rate Risk:** Investors are exposed to adverse changes in the prices of domestic fixed income securities due to a rise in interest rates, which generally causes fixed income security prices to decline. Factors/ events that may lead to a rise in interest rates include adverse market conditions, issuer-specific factors / events and/or negative developments in domestic political and economic conditions.

**Liquidity Risk:** Possibility to experience losses due to the fund's inability to convert assets into cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price.

**Related Party Risk:** Risk of any actual or potential conflicts of interest in handling of related party transactions.

**Credit/Default Risk:** Investors are exposed to the risk of loss due to the failure of the borrower/ debt issuer to make timely interest and/ or principal payments on its deposit liabilities, loans, bonds or other debt instruments due to a deterioration in the borrower's/ issuer's financial condition or external factors and events that may affect its ability to repay financial obligations such as negative developments in domestic political and economic conditions.

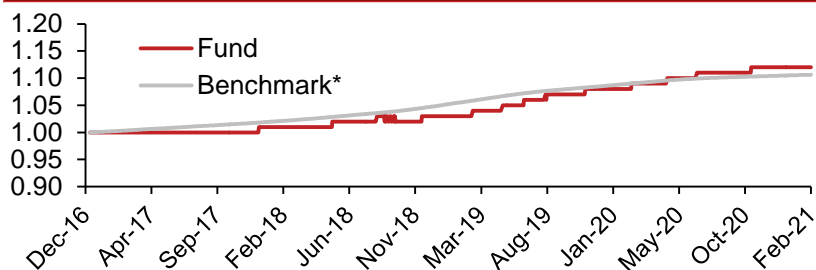
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES SHALL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.**
- **THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.**

## FUND PERFORMANCE AND STATISTICS AS OF FEBRUARY 26, 2021

(Purely for reference purposes and is not a guarantee of future results)

### NAVPU GRAPH



\*Benchmark is 91-day Philippine Treasury Bill

### CUMULATIVE PERFORMANCE (%) <sup>1</sup>

	1 mo	3 mo	6 mo	1 YR	3 YR	S.I. <sup>2</sup>
<b>Fund</b>	<b>0.00</b>	<b>0.00</b>	<b>0.90</b>	<b>2.75</b>	<b>10.89</b>	<b>12.00</b>
<b>Benchmark</b>	0.06	0.21	0.45	1.37	8.16	10.63

### ANNUALIZED PERFORMANCE (%) <sup>1</sup>

	1 YR	2 YRS	3 YRS	4 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>2.75</b>	<b>4.28</b>	<b>3.51</b>	<b>2.87</b>	<b>2.74</b>
<b>Benchmark</b>	1.37	2.30	2.65	2.48	2.44

### CALENDAR YEAR PERFORMANCE (%) <sup>1</sup>

	YTD	2020	2019	2018	2017
<b>Fund</b>	<b>0.00</b>	<b>3.70</b>	<b>4.85</b>	<b>1.98</b>	<b>1.00</b>
<b>Benchmark</b>	<b>0.14</b>	1.68	3.55	2.95	1.88

### NAVPU over the past 12 months

Highest	1.12
Lowest	1.09

### STATISTICS

Weighted Ave Duration (Yrs)	0.13
Volatility, Past 1 Year (%) <sup>3</sup>	1.42
Portfolio Weighted Yield to Maturity (%)	3.73
Current Number of Holdings	6

<sup>1</sup>Returns are net of fees.

<sup>2</sup>Since inception.

<sup>3</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>4</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.

\*Declaration of Trust is available upon request through branch of account.

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Fixed Income	97.57
Cash	0.15
Money Market Instruments	0.68
Other Receivables – Net of liabilities	1.59

### Allocation by Sector

Allocation by Sector	% of Fund
Corporate Bonds	-
Government Debt	97.57
Cash	0.15
Time deposit and money market	0.68
Other receivables - net of liabilities	1.59

### TOP TEN HOLDINGS

Name	Maturity	% of Fund
Fixed Rate Treasury Note	4/28/2021	38.81
Retail Treasury Bond	3/3/2021	38.14
Retail Treasury Bond	6/13/2021	13.45
Retail Treasury Bond	10/20/2021	4.34
Fixed Rate Treasury Note	3/20/2021	2.84
Time Deposit		0.68

### RELATED PARTY TRANSACTIONS

The Fund has transactions and outstanding investments including deposits, investment in the share/s of stocks, and/or debt issuances of the following companies related to BPI Asset Management and Trust Corporation (BPI AMTC):

No related party holdings.

Investments in the said outlets were approved by the BPI AMTC's Board of Directors. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

\* Related party in accordance with BPI AMTC's internal policy.

## OUTLOOK AND STRATEGY

**Market Review.** The BPI Money Market Index returned 0.10% in February as money market benchmark yields fell 9 basis points (bps) on average, with the greatest yield declines seen in the 1- and 6-month benchmark tenors.

The Bureau of the Treasury (BTr) sold four tranches of Treasury Bills (T-bills) throughout the month, with each tranche comprising PHP5-7bn of 91-day, PHP5-7bn of 182-day, and PHP10bn of 364-day securities. Demand for all tenors decreased as the month progressed, but all auctions were fully awarded. Between the last auctions in this month and the previous month, yields for the 3-month securities fell 9 bps, yields for the 6-month securities fell 26 bps, and the yield of the 1-year security fell 2 bps. In the last auction of the month, the 91-, 182-, and 364-day securities were awarded at average yields of 0.875%, 1.067%, and 1.527%, respectively.

In the local economic space, January inflation came in at 4.2% year-on-year, above expectations of 3.5% and quickening from December's 3.5% figure. Food inflation due to supply chain and logistical issues and higher transportation costs due to rising oil prices were the main drivers of the headline figure's increase. Meanwhile, President Duterte rejected calls to loosen quarantine restrictions, citing his desire for more widespread vaccination before easing restrictions. With spiking inflation and slow economic growth continuing to dampen risk sentiment, the Bangko Sentral ng Pilipinas (BSP) kept policy rates steady in its February meeting but raised its full-year 2021 inflation forecast to 4% from its previous forecast of 3.2%. In statements made throughout the month, BSP Governor Benjamin Diokno stated that the spike in inflation was transitory and was being dealt with through non-monetary measures, and suggested that policy rates would remain at current levels until at least the end of the first half of the year.

**Fund Performance.** The Fund returned 0.00% during the month, below its benchmark by 6 basis points.

**Fund Strategy.** The Fund favors the safety of Time Deposits. Expectations of monetary easing moving forward may depress short-term rates

## LIST OF PROSPECTIVE INVESTMENTS

The following are among the Fund's approved investment outlets, wherein the Trustee intends to invest depending on strategy, availability, or other market-driven circumstances:

- a) Primarily short-term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; marketable instruments that are traded in an organized exchange; investment outlets/ categories the BSP allow. Provided, that, a financial instrument is regarded as tradable if quoted two-way prices are readily available and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- b) Primarily short-term tradable fixed-income securities issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund or any such instrument as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Subsection X 410.12 (a) of the Manual of Regulations for Banks.
- c) Bank deposits or tradable debt instruments issued by the BSP.
- d) Such other investments allowed under regulations issued by the BSP.

BPI Asset Management and Trust Corporation (BPI AMTC) is a subsidiary of the Bank of the Philippine Islands. For any inquiries and complaints relating to our services and products you may call our hotline: 889-10000, or send an email at [bpi\\_asset\\_management@bpi.com.ph](mailto:bpi_asset_management@bpi.com.ph) or write a letter addressed to BPI Asset Management and Trust Corporation - Consumer Assistance Office, 7/F, BPI Buendia Center, Sen. Gil J. Puyat Avenue, Makati City 1209.

BPI AMTC as Trustee / Investment Manager is regulated by the Bangko Sentral ng Pilipinas (BSP) with e-mail address: [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph).