



# BPI PERA MONEY MARKET FUND

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of September 30, 2021

### FUND FACTS

<b>Classification:</b>	PERA Money Market Fund	<b>Net Asset Value per Unit (NAVPU):</b>	PHP 1.14
<b>Launch Date:</b>	December 19, 2016	<b>Total Fund NAV (Mn):</b>	PHP 4.82
<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 4.73 Million

\*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.

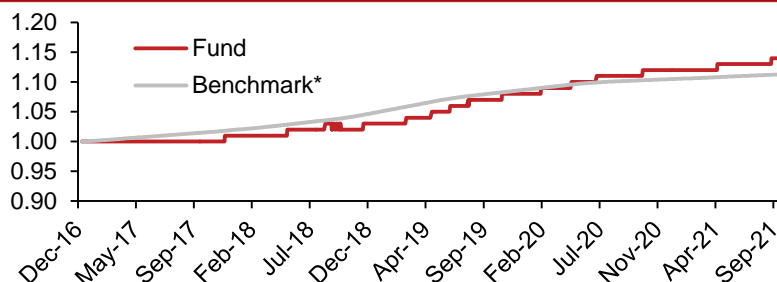
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- **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 SEPTEMBER 30, 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>0.88</b>	<b>0.88</b>	<b>1.79</b>	<b>2.70</b>	<b>11.76</b>	<b>14.00</b>
<b>Benchmark</b>	0.07	0.23	0.49	0.94	7.11	11.26

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

	1 YR	2 YRS	3 YRS	4 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>2.70</b>	<b>3.22</b>	<b>3.78</b>	<b>3.33</b>	<b>2.78</b>
<b>Benchmark</b>	0.94	1.50	2.32	2.34	2.26

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

	YTD	2020	2019	2018	2017
<b>Fund</b>	<b>1.79</b>	<b>3.70</b>	<b>4.85</b>	<b>1.98</b>	<b>1.00</b>
<b>Benchmark</b>	0.71	1.68	3.55	2.95	1.88

### NAVPU over the past 12 months

Highest	1.14
Lowest	1.11

### STATISTICS

Weighted Ave Duration (Yrs)	0.26
Volatility, Past 1 Year (%) <sup>3</sup>	1.40
Portfolio Weighted Yield to Maturity (%)	2.56
Current Number of Holdings	4

<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	96.26
Cash	0.22
Money Market Instruments	2.59
Other Receivables – Net of liabilities	0.92

Allocation by Sector	% of Fund
Corporate Bonds	-
Government Debt	96.26
Cash	0.22
Time deposit and money market	2.59
Other receivables - net of liabilities	0.92

### TOP HOLDINGS

Name	Maturity	% of Fund
Fixed Rate Treasury Note	1/19/2022	33.61
Retail Treasury Bond	10/20/2021	32.19
Fixed Rate Treasury Note	3/14/2022	30.46
Time Deposit		2.59

### 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 0.13 % in September, as short-end benchmark government yields rose 0.70 basis points (bps) on average. The yield curve steepened, with rates on the long-end of the curve rising more than those of the belly or the short-end. Average daily trading volume dropped to PHP18.615bn from August's PHP22.20bn with trades mostly seen on the short-end and belly (1- to 7-year papers) of the curve.

The Bureau of the Treasury (BTr) held four Treasury Bill auctions in September. Treasury Bills saw yields remain mostly the same to slightly lower throughout the month, as preference for the shorter end of the curve prevailed. Average rates for the last auction of the 91-, 182- and 364-day papers were awarded at 1.060%, 1.385% and 1.582%, respectively, during the last auction of the month. Demand for short-term papers remained healthy as total tenders for each tenor more than doubled the offer size during the weekly auctions. Towards month-end, the BTr released its October auction schedule, announcing four weekly FXTN issuances (5-, 6- and two 7-year tenors) and four weekly Tbill auctions.

In the local economic space, August inflation increased to 4.9% year-on-year, the fastest rise in over two years. The uptick was driven by higher food and utility prices following the government's move into stricter lockdowns once more. The figure marks yet another month that inflation has been higher than the Bangko Sentral ng Pilipinas' (BSP) target band of 2-4% for the year. During its Monetary Board meeting for the month, the BSP left policy rates unchanged, but hiked its inflation forecasts. For 2021, it now expects inflation to average at 4.4% from 4.1%, while for 2022 it now projects inflation to average at 3.3% from 3.1% earlier. Nevertheless, the BSP continued to reiterate that prevailing monetary policy settings were still appropriate, given the manageable inflation environment and tempered growth outlook.

**Fund Performance.** The Fund returned 0.88% during the month, above its benchmark by 81 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 inquiries and comments, please send an email to [bpi\\_asset\\_management@bpi.com.ph](mailto:bpi_asset_management@bpi.com.ph) or call us at (02) 8580-AMTC (2682).

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