

**FUND FACTS**

<b>Classification:</b>	Multi-asset Fund	<b>Net Asset Value per Unit (NAVPU):</b>	Php 170.36
<b>Launch Date:</b>	April 4, 2005	<b>Total Fund NAV (Mn):</b>	Php 4,704.90
<b>Minimum Investment:</b>	Php10,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	Php1,000.00	<b>Redemption Settlement:</b>	T+2 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

<b>Trustee Fees:</b> 0.1231%* 1.50% per annum BPI Wealth	<b>Custodianship Fees:</b> 0.0012%** HSBC	<b>External Auditor Fees:</b> 0.00%*** Isla Lipana	<b>Other Fees:</b> 0.00%**** None
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\*Monthly rate: billings received for April 2024 divided by the average daily NAV for the same month valued at Php 4,704.97 mn  
 \*\*Monthly rate: billings received for March 2024 divided by the average daily NAV for the same month valued at Php 4,821.85 mn  
 \*\*\*Billing is received at the last quarter of the year

**INVESTMENT OBJECTIVE AND STRATEGY**

This Fund seeks to achieve long term capital growth derived from a diversified portfolio of equity and fixed income securities. The Fund aims to provide excess return over the composite benchmark, 50% Philippine Stock Exchange Index and 50% BPI Philippine Government Bond 1-5 Year Index.

**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 Balanced Fund is suitable for investors who:

- Are at least classified as aggressive based on their risk profile
- Have an investment horizon at least five (5) 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.

<b>Interest Rate Risk:</b>	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 interest rates include adverse market conditions, issuer-specific factors/ events and/ or negative developments in domestic political and economic conditions.
<b>Equity Price Risk:</b>	Investors are exposed to adverse changes in the prices of stocks listed in the Philippine Stock Exchange, which may be brought about by adverse stock market conditions, unfavorable company earnings and valuations and/ or negative developments in domestic and global political and economic conditions.
<b>Liquidity Risk:</b>	Investors are exposed to the risk of loss due to the fund's inability to convert fixed income and equity security holdings to cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price due to limited buyers/ sellers in the market, low trading volumes or market disruptions, among other reasons/ factors.
<b>Related Party Risk:</b>	Investors are exposed to actual or potential conflicts of interest in the handling of related party transactions by the Trustee, specifically, time deposit placements with the Trustee's own bank and/ or its subsidiary, purchase of debt and equity securities issued by related parties, as well as the execution of trade transactions with related counterparties.
<b>Credit/ Default Risk:</b>	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.

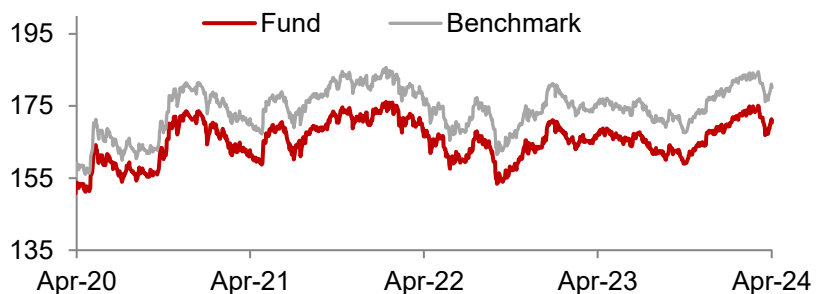
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- 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.
- THIS PRODUCT CANNOT BE SOLD TO YOU UNLESS ITS BENEFITS AND RISKS HAVE BEEN THOROUGHLY EXPLAINED. IF YOU DO NOT FULLY UNDERSTAND THIS PRODUCT, DO NOT PURCHASE OR INVEST IN IT.

## FUND PERFORMANCE AND STATISTICS AS OF APRIL 30, 2024

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

### NAVPU GRAPH



\* Benchmark is 50% PSEi, 50% return of the BPI Philippine Government Bond 1-5 Year Index, net of tax (\*Effective February 1, 2022)

### NAVPU over the past 12 months

Highest	175.05
Lowest	159.05

### STATISTICS

Portfolio Beta	1.01
Volatility, Past 1 Year (%) <sup>3</sup>	6.84
Sharpe Ratio <sup>4</sup>	-0.39
Information Ratio <sup>5</sup>	-0.49
Current Number of Holdings	57

<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>Used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

<sup>5</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>6</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

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

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

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>-2.06</b>	<b>0.51</b>	<b>7.02</b>	<b>1.98</b>	<b>5.63</b>	<b>148.27</b>
<b>Benchmark</b>	<b>-1.85</b>	<b>0.36</b>	<b>7.34</b>	<b>2.47</b>	<b>5.96</b>	<b>151.26</b>

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>1.98</b>	<b>1.13</b>	<b>1.84</b>	<b>2.59</b>	<b>-0.87</b>	<b>4.88</b>
<b>Benchmark</b>	<b>2.47</b>	<b>1.34</b>	<b>1.95</b>	<b>3.16</b>	<b>-0.33</b>	<b>4.95</b>

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

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>1.91</b>	<b>2.27</b>	<b>-4.17</b>	<b>-0.40</b>	<b>-3.42</b>	<b>3.08</b>
<b>Benchmark</b>	<b>1.97</b>	<b>2.08</b>	<b>-4.32</b>	<b>0.79</b>	<b>-2.29</b>	<b>4.38</b>

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.17
Cash	0.23
Corporates	8.41
Time Deposits and Money Market	1.59
Government	39.34
Other Receivables – Net of Liabilities <sup>6</sup>	0.25

#### Sector Holdings

Holding Firms	15.15
Property	8.14
Financials	12.30
Services	7.26
Industrials	7.33
Mining and Oil	0.00

### TOP TEN HOLDINGS

Names	Maturity	%
Retail Treasury Bond	3/7/2028	7.66
SM Investments Corporation		7.26
Fixed Rate Treasury Note	2/14/2026	5.08
Bank of the Philippine Islands		4.89
BDO Unibank, Inc.		4.82
Retail Treasury Bond	2/28/2029	4.58
Int'l Container Terminal Services, Inc.		4.47
SM Prime Holdings, Inc.		4.32
Fixed Rate Treasury Note	10/13/2029	4.17
Retail Treasury Bond	8/22/2028	3.94

### RELATED PARTY TRANSACTIONS\*

The Fund has transactions and outstanding investments including deposit, investments in the share/s of stock, and/or debt issuances of the following companies related to the BPI Wealth - A Trust Corporation ("BPI Wealth"):

ACEN Corporation Php 50.98 Mn  
Ayala Corporation — Php 199.98 Mn  
Ayala Land, Inc. — Php 213.79 Mn  
Bank of the Philippine Islands — Php 230.16 Mn  
Globe Telecom, Inc. — Php 43.47 Mn

Investments in the said outlets were approved by the BPI Wealth'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 Wealth's internal policy.

## OUTLOOK AND STRATEGY

### Market Review.

The BPI Government Bond Index fell 2.11% in April as the local yield curve rose 64 basis points (bps) on average. Average daily trading volume for the month amounted to Php14.73 billion, lower than March's Php19.73 billion with trades mostly seen on the belly of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in April. The 7-year FXTN 07-71 was fully awarded at an average yield of 6.299%. The 10-year FXTN 10-72, and 20-year FXTN 20-26 reissuances were partially awarded at average yields of 6.365%, and 6.900%, respectively. The bids for the FXTN 20-23 issuance were fully rejected. Had the BTr awarded the bids for the 15-year paper, average rates would have risen to 6.987%.

In the local space, March headline inflation rose further by 3.7% year-on-year from the previous month's 3.4%. Food, transport, and restaurants were the main driver of inflation, with rice prices reporting 24.4% increase year-on-year, fastest pace since 2009. Despite the recent spike in prices, inflation print managed to stay within the central bank's 2 to 4% target range. During the recent Monetary Board meeting, the BSP held their policy rate steady at 6.5% after a higher inflation figure. The central bank also revised their 2024 risk-adjusted inflation forecast from 3.9% to 4.0% as risks to inflation remain tilted to the upside.

The Philippine Stock Exchange Index (PSEi) exhibited a wide swing in April. The index started off strong, reaching as high as 7,000 level to falling to as low as 6,400 mark before ultimately settling at 6,700.49 or down by 2.94% on a month-on-month basis. Risk-off sentiment ensued on the back of the US Federal Reserve's (The Fed) hawkish tone coupled by escalating tensions over in the middle east. On the local space, the headline inflation in March rose to 3.7% from 3.4% in February primarily due to food inflation which registered at 5.6%. Moreover, investors were also wary of the Philippine Peso's depreciation, recording at 57.8 against the US Dollar at one point during the month.

Trading activity slowed during the month, with average daily turnover at US\$116 million or 6.5% lower than US\$124 million recorded in March. Foreign selling persisted for another month at US\$412 million, the highest since September 2023. Property stocks saw the largest outflow while consumer names had some sizable sell-offs. On the other hand, banks continued to see foreign demand while conglomerates exhibited two-way flows. Foreign participation declined to 46% from 50%.

On a per name basis, the top three index gainers for the month include: BPI (+7.96%), ACEN (+7.79%) and MBT (+7.44%). Meanwhile, the bottom three performers were: SMPH (-14.53%), PGOLD (-11.57%) and ALI (-10.85%).

**Fund Performance.** The fund returned -2.06% in April, underperforming the benchmark by 21 basis points. Year-to-date, the Fund registered a gain of 1.91%, behind the benchmark by 6 bps.

**Fund Strategy.** The Fund will continue to be defensive, but also opportunistic, as volatility could persist given thin market liquidity and inflation risk is still on the upside. The Fund will focus on companies with leading market capitalization and good fundamentals.

For the fixed income portion of the fund, the Fund looks to maintain its current duration position as interest rates are expected to stabilize over the medium term. Though inflation has exceeded the government's target range, the BSP remains vigilant in monitoring supply side pressures and potential second-round effects. Volatility may persist in the global space, and the portfolio will be actively managed to take advantage of this. Investors in a bond fund must be prepared to withstand volatility as higher investment value is typically achieved over the medium to long term.

## 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) Shares of Stock of selected corporations which are already listed or being offered publicly and soon to be listed in major capital markets.
- (b) Primarily medium term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable fixed-income instruments issued by financial institutions or private corporations; exchange-listed securities; marketable instruments that are traded in an organized exchange; loans traded in an organized market; and, such other tradable investment outlets/ categories as the BSP may allow.
- (c) Primarily medium 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.
- (d) Bank deposits and such other investments allowed under regulations issued by the BSP.

*BPI Wealth is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send us a message through <https://www.bpi.com.ph/contactus> or call our 24-hour BPI Contact Center at (+632) 889-10000.*

*BPI Wealth as Trustee/Investment Manager is regulated by the Bangko Sentral ng Pilipinas. <https://www.bsp.gov.ph>*