

FUND FACTS

Classification:	Multi-asset Fund	Net Asset Value per Unit (NAVPU):	Php 172.41
Launch Date:	April 4, 2005	Total Fund NAV (Mn):	Php 4,662.34
Minimum Investment:	Php10,000.00	Dealing Day:	Daily up to 2:00 PM
Additional Investment:	Php1,000.00	Redemption Settlement:	T+2 End-of-Day
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES*

Trustee Fees: 0.1270%* 1.50% per annum BPI Wealth	Custodianship Fees: 0.0012%** HSBC	External Auditor Fees: 0.0000%*** Isla Lipana	Other Fees: 0.0000%**** None
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*Monthly rate: billings received for July 2024 divided by the average daily NAV for the same month valued at Php4,698.00mn

**Monthly rate: billings received for June 2024 divided by the average daily NAV for the same month valued at Php4,616.77mn

***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.

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 interest rates include adverse market conditions, issuer-specific factors/ events and/ or negative developments in domestic political and economic conditions.

Equity Price Risk: 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.

Liquidity Risk: 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.

Related Party Risk: 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.

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.

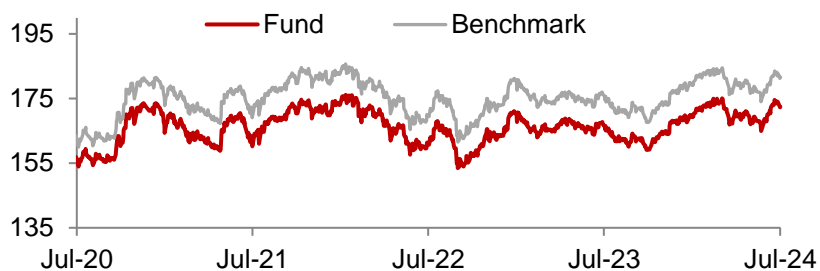
• THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.

• 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 JULY 31, 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)

CUMULATIVE PERFORMANCE (%) ¹

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. ²
Fund	2.22	1.20	1.72	3.51	7.64	151.26
Benchmark	2.14	0.78	1.14	3.24	7.37	153.22

ANNUALIZED PERFORMANCE (%) ¹

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ²
Fund	3.51	3.58	2.48	2.46	-0.84	4.88
Benchmark	3.24	3.50	2.40	2.75	-0.40	4.92

CALENDAR YEAR PERFORMANCE(%) ¹

	YTD	2023	2022	2021	2020	2019
Fund	3.13	2.27	-4.17	-0.40	-3.42	3.08
Benchmark	2.77	2.08	-4.32	0.79	-2.29	4.38

PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.89
Cash and Cash Equivalents	1.99
Corporates	6.06
Government	41.07
Other Receivables – Net of Liabilities ⁶	0.00

Sector Holdings

Holding Firms	14.02
Property	8.42
Financials	11.90
Services	8.85
Industrials	7.69
Mining and Oil	0.00

NAVPU over the past 12 months

Highest	175.05
Lowest	159.05

STATISTICS

Portfolio Beta	1.01
Volatility, Past 1 Year (%) ³	7.16
Sharpe Ratio ⁴	-0.15
Information Ratio ⁵	0.27
Current Number of Holdings	54

¹Returns are net of fees.

²Since Inception

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

⁴Used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

⁵Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

⁶Includes accrued income, investment securities purchased, accrued expenses, etc.

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

TOP TEN HOLDINGS

Names	Maturity	%
Retail Treasury Bond	3/7/2028	7.87
SM Investments Corporation		7.21
Int'l Container Terminal Services, Inc.		5.26
Fixed Rate Treasury Note	2/14/2026	5.16
Retail Treasury Bond	2/28/2029	4.73
Bank of the Philippine Islands		4.69
BDO Unibank, Inc.		4.49
SM Prime Holdings, Inc.		4.46
Fixed Rate Treasury Note	10/13/2029	4.31
Retail Treasury Bond	8/22/2028	4.04

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 47.46 Mn

Ayala Corporation — Php 148.56 Mn

Ayala Land, Inc. — Php 218.53 Mn

Bank of the Philippine Islands — Php 218.69 Mn

Globe Telecom, Inc. — Php 58.51 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 rose 1.96% in July as Philippine government bond yields fell by 30 basis points (bps) on average. Average daily trading volume for the month amounted to Php34.5 billion, higher than June's Php20.8 billion with trades mostly seen in 5- to 10-year securities. The Bureau of the Treasury (BTr) held five FXTN auctions in July which were all fully awarded.

In the local space, June headline inflation decelerated from 3.9% in May to 3.7% in June. The latest figure was also below economists' median estimate of 3.9%. The better-than-expected inflation was mainly driven by steep declines in power rates and slower increases in oil prices. In line with this, Bangko Sentral ng Pilipinas (BSP) Governor Eli Remolona issued statements supporting policy rate cuts soon, potentially as early as in August.

In the global space, US inflation decelerated from 3.3% in May to 3.0% in June, also below the 3.1% expectations. US Federal Reserve officials highlighted the progress in moderating inflation and slowing economic data which support eventual policy rate cuts.

The Philippine Stock Exchange Index (PSEi) surged for the month of July, posting a 3.23% month-on-month increase to close at 6,619.09. Market sentiment drastically improved on expectations of an interest-rate cut by the Bangko Sentral ng Pilipinas (BSP) on its upcoming Monetary Board Meeting in August. The Philippine inflation figure in June which eased to +3.7% or lower than +3.9% consensus forecasts, further added to the optimism. Moreover, the Philippine Peso recorded a monthly gain at +0.42% to 58.365.

For trading activity, the PSEi saw less liquidity for the month with Average Daily Turnover recorded at Php4.35 billion or 1.2% lower than Php4.4 billion tallied in June. In terms of foreign activity, foreigners turned net buyers in July at US\$60 million. Top foreign bought names include SM (US\$25.9 million), BDO (US\$2.9 million) and BPI (US\$14.9 million). Foreign participation, likewise improved to 51%.

On a per stock basis, the top three index gainers for the month include: ACEN (+9.80%), SM (+9.33%) and PGOLD (+8.68%). Meanwhile, the bottom three performers were: BLOOM(-13.04%), NIKL (-9.70%) and AEV (-8.63%).

Fund Performance. The fund returned 2.22% in July, outperforming the benchmark by 8 bps. Year-to-date, the Fund registered a gain of 3.13%, above the benchmark by 36 bps.

Fund Strategy. The Fund will retain its defensive position as inflation and geopolitical risks remain coupled with thin market liquidity. The Fund's preference is still for companies with leading market capitalization and good fundamentals as well as dividend paying stocks.

For the fixed income portion of the fund, the Fund looks to maintain its position in long-term bonds as interest rates are expected to decline in the second half of the year. Investors in a balanced 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>