

# ODYSSEY PESO MEDIUM TERM BOND FUND

Key Information and Investment Disclosure Statement  
As of July 31, 2025

## FUND FACTS

<b>Classification:</b>	Fixed Income Fund	<b>NAVPU:</b>	Php 157.71
<b>Launch Date:</b>	October 1, 2007	<b>Total Fund NAV (Mn):</b>	Php 562.63
<b>Minimum Investment:</b>	Php 10,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	Php 5,000.00	<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> 0.1335%* 1.50% per annum	<b>Custodianship Fees:</b> 0.0003%**	<b>External Auditor Fees:</b> 0.0000%***	<b>Other Fees:</b> 0.0000%
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BPI Wealth

DB AG Manila Branch

Isla Lipana

None

\*Monthly rate: billings received for July 2025 divided by the average daily NAV for the same month valued at PHP 2,769.27 Mn

\*\*Monthly rate: billings received for June 2025 divided by the average daily NAV for the same month valued at PHP 4,634.47 Mn

\*\*\*Billing is received at the last quarter of the year

## INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to generate income by investing in a diversified portfolio of Peso denominated sovereign and corporate debt securities. The Fund aims to outperform its benchmark which is the 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 Odyssey Peso Medium Term Fund is suitable only for investors who:

- Are at least classified as moderately aggressive 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.

<b>Interest Rate Risk:</b>	The fund invests in a medium-term portfolio of domestic government and corporate securities, exposing investors to the risk of loss arising from 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>Liquidity Risk:</b>	Investors are exposed to the risk of loss due to the fund's inability to convert 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>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.
<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 securities issued by related parties, as well as the execution of trade transactions with related counterparties.

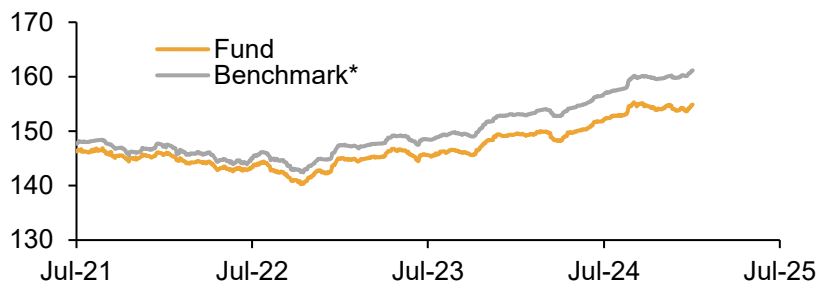
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- 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, 2025

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

### NAVPU GRAPH



\*Benchmark is the BPI Philippine Government Bond 1-5 Year Index

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

	1 mo.	3 mos.	6 mos.	1 YR	3 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>0.23</b>	<b>0.80</b>	<b>1.83</b>	<b>3.62</b>	<b>9.99</b>	<b>57.71</b>
<b>Benchmark</b>	0.35	1.16	2.52	5.35	13.96	107.06

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>3.62</b>	<b>4.09</b>	<b>3.23</b>	<b>1.89</b>	<b>1.73</b>	<b>2.59</b>
<b>Benchmark</b>	5.35	5.50	4.45	2.84	2.69	4.16

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

	YTD	2024	2023	2022	2021	2020
<b>Fund</b>	<b>2.56</b>	<b>3.03</b>	<b>4.91</b>	<b>-2.07</b>	<b>-0.28</b>	<b>5.56</b>
<b>Benchmark</b>	3.40	4.56	5.58	-1.26	0.15	6.59

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	73.49
Corporates	-
Cash and Cash Equivalents	26.43
Other Receivables - Net of Liabilities <sup>6</sup>	0.08

#### Maturity Profile

Cash and less than 1 year	26.51
Between 1 and 3 years	36.36
Between 3 and 5 years	17.90
Between 5 and 7 years	19.23
Between 7 and 10 years	-
More than 10 years	-

#### Portfolio Weightings

Philippine Corporate Bonds	-
Philippine Sovereign Bonds	73.49

### NAVPU over the past 12 months

Highest	157.71
Lowest	152.29

### STATISTICS

Weighted Ave Duration (Yrs.)	2.27
Volatility, Past 1 Year (%) <sup>3</sup>	1.24
Sharpe Ratio <sup>4</sup>	-0.63
Information Ratio <sup>5</sup>	-2.36
Portfolio Weighted Yield to Maturity (%)	4.49
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>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.

### TOP TEN HOLDINGS

Name	Maturity	% of Fund
Fixed Rate Treasury Note	07/19/2031	19.23
Fixed Rate Treasury Note	09/06/2027	18.60
Retail Treasury Bond	08/22/2028	17.90
Retail Treasury Bond	03/07/2028	17.76
Time Deposit		12.97
Time Deposit		11.55

### \*RELATED PARTY TRANSACTIONS

The Fund has transactions and outstanding investments with entities related to BPI Wealth - A Trust Corporation ("BPI Wealth"):

Bank of the Philippine Islands – Php 65.00 Mn

Investments in the said outlets were approved by 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 bond market was relatively flat end-July as participants stayed sidelined ahead of final details on the new RTB tranche, with the 10-year benchmark going down only about 2 bps on the month. Headline inflation printed benignly in July at roughly 0.9% year-on-year. At the same time, growth remains positive, with Q2 2025 GDP expanding around 5.5% year-on-year. Overall, the macro backdrop tilted toward lower rates, reflecting low inflation, still-solid growth, and subdued volatility. Liquidity conditions stayed orderly, with limited knee-jerk moves across the curve. This combination left yields narrowly traded and anchored just below recent levels.

The Bureau of the Treasury announced RTB 519 with an initial offer size of PHP 200bn, pricing scheduled for 5 August, a public offer window through 15 August, and settlement on 20 August. Market expectations are that the accepted size will exceed the initial PHP 200bn, driven largely by the sizable R-513 maturity in August of around PHP 500bn, which will create strong rollover demand from institutional holders.

Looking ahead, the bias remains toward lower yields as benign inflation, slower growth and fading trade policy-related volatility. The combination of slower but still positive growth and the prospect of very strong demand for RTB 519 suggests continued compression, particularly in the belly of the curve. Key risks that could derail this path include a sudden global risk-off episode, materially higher imported inflation, or a surprise change in BSP guidance. For now, however, the prevailing view is that subdued inflation, ample demand for government supply, and a benign macro backdrop keep yields on a downward trajectory. Investors should monitor upcoming inflation prints and auction subscription results for confirmation.

**Fund Performance.** The Fund returned 0.23% for the month, below its benchmark by 12 basis points.

**Fund Strategy.** The Fund aims to maintain its duration position as interest rates are expected to decline in the medium term. Inflation has significantly eased, mainly driven by a gradual reduction in rice prices. In response, the BSP has continued to reduce its policy rate, which now stands at 5.25%. The central bank has also indicated the possibility of further rate cuts, supported by a favorable macroeconomic backdrop. However, market volatility may persist due to ongoing uncertainties in the global economic landscape, particularly due to the rapidly evolving US trade policies. 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) Bank deposits and such other investments allowed under regulations issued by the BSP;
- b) Securities issued by or guaranteed by the Philippine government, or by the BSP;
- c) Tradable securities issued or guaranteed by multilateral institutions such as the Asian Development Bank (ADB), International Monetary Fund (IMF) and World Bank;
- d) Tradable securities issued by the government of a foreign country, any political subdivision of a foreign country or any supranational entity;
- e) Exchange-listed securities;
- f) Marketable instruments that are traded in an organized exchange;
- g) Loans traded in an organized market; and
- h) Such other tradable investments outlets/categories as may be approved by the relevant authority and allowed 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>*