

**FUND OVERVIEW**

The Fund aims to achieve a steady stream of income by investing in a diversified portfolio of Philippine Peso denominated high-grade fixed income instruments, such as, but not limited to, government securities, corporate notes and bonds, and fixed income funds.

The fund is suitable for investors who:

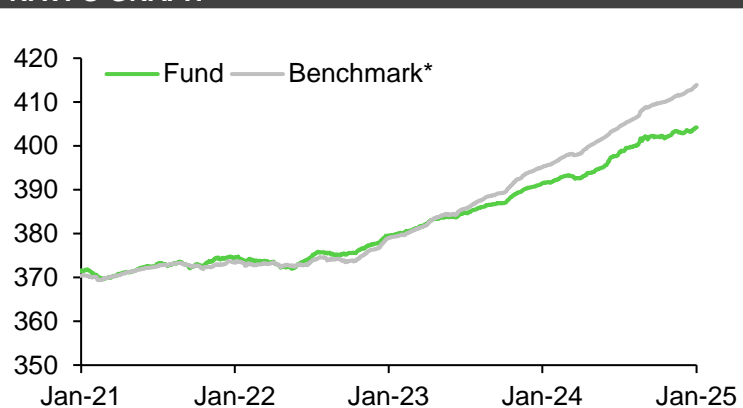
- Are at least classified as **moderately conservative** based on their risk profile.
- have an investment horizon of up **at least three (3) years**.

**FUND FACTS**

<b>Classification:</b>	Medium Term Bond Fund
<b>Launch Date:</b>	July 18, 1997
<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Minimum Investment:<sup>1</sup></b>	PHP 1,000.00
<b>Min. Subsequent Order:<sup>1</sup></b>	Equivalent amount of 1 share*
<b>Minimum Holding Period:</b>	90 calendar days
<b>Redemption Settlement:</b>	T+0 End-of-Day
<b>Early Redemption Charge:</b>	1.00%
<b>Total Management Fee:<sup>2</sup></b>	1.25% per annum
<b>Total Fund NAV (Mn) :</b>	PHP 34,772.39

**FUND PERFORMANCE AND STATISTICS** *(Purely for reference purposes and is not a guarantee of future results)*

**NAVPS GRAPH**



NAVPS 404.23

**STATISTICS**

Weighted Ave Duration (Yrs)	3.82
Volatility, Past 1 Year (%) <sup>5</sup>	0.51
Sharpe Ratio <sup>6</sup>	-2.54
Information Ratio <sup>7</sup>	-3.82
Port. Weighted Yield to Maturity (%)	4.56
Number of Holdings	90

**PORTFOLIO COMPOSITION**

Allocation	% of Fund
Government	46.89
Corporates	51.03
Cash & Cash Equivalents <sup>8</sup>	1.35
Preferreds	0.73

**Asset Valuation**

Marked-to-Market	29.83
Amortized Cost	70.17

**Maturity Profile**

Less than 1 year	19.19
1 – 3 years	23.87
3 – 5 years	22.54
More than 5 years	34.40

**CUMULATIVE PERFORMANCE (%) <sup>3</sup>**

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	0.33	1.47	3.25	7.94	12.85	304.23
<b>Benchmark</b>	0.53	2.37	4.73	10.79	15.01	233.61

**ANNUALIZED PERFORMANCE (%) <sup>3</sup>**

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>4</sup>
<b>Fund</b>	3.25	3.19	2.58	2.13	2.45	5.20
<b>Benchmark</b>	4.73	4.51	3.48	2.82	2.84	4.47

**CALENDAR YEAR PERFORMANCE(%) <sup>3</sup>**

	YTD	2024	2023	2022	2021	2020
<b>Fund</b>	0.33	3.18	3.38	0.91	0.88	3.71
<b>Benchmark</b>	0.53	4.52	4.65	0.94	0.75	2.90

**BENCHMARK**

75% of the 91-day Philippine Treasury Bill (net of tax) + 25% of the BPI Philippine Government 1-5 Year Index

**TOP HOLDINGS**

Name	Maturity	%
Retail Treasury Bond	2029	7.86
Fixed Rate Treasury Note	2044	5.28
Fixed Rate Treasury Note	2032	4.32
Ayala Corporation	2025	3.74
Aboitiz Equity Ventures, Inc.	2027	3.46

<sup>1</sup>Contribution rounded down/redemption rounded off to the nearest whole share. Mutual Fund shares do not issue fractional shares.

<sup>2</sup>Management, Distribution & Transfer Agency Fees

<sup>3</sup>Returns are net of fees.

<sup>4</sup>Since Inception.

<sup>5</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>6</sup>Used to characterize how well the return of a Fund compensates the investor for the level of risk taken.

<sup>7</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>8</sup>Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities<sup>8</sup>

Fund prospectus is available upon request through authorized distributors and sales agents.

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

## OUTLOOK AND STRATEGY

**Market Review.** Domestic fixed income investments have performed well in January 2025, with the BPI GS Money Market Index up 0.62%. This was due to steady income from bonds and falling yields, as people expect the Bangko Sentral ng Pilipinas (BSP) to cut rates in February after the Philippine economy grew slower than expected in the last quarter of 2024. The economy grew by 5.2%, which was below expectations, partly due to multiple typhoons. Inflation rose to 2.9% in December, driven by higher vegetable prices, utility costs, and transport expenses. The BSP is expected to cut the policy rates by a total of 0.5% (50 basis points) in 2025.

**Fund Performance.** The Fund returned 0.33% for the month, underperforming its benchmark by 20 basis points. Year-to-date, return amounted to 0.33%, underperforming its benchmark by 20 basis points.

**Fund Strategy.** The fund will maintain its current duration given the potential for higher inflation in the long term particularly, beginning next year. Investors in the bond fund must be prepared to withstand short-term volatility as higher investment value is normally achieved over the medium- to long-term.