

FUND OVERVIEW

The Fund aims to achieve capital preservation through a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities.

The fund is suitable for investors who:

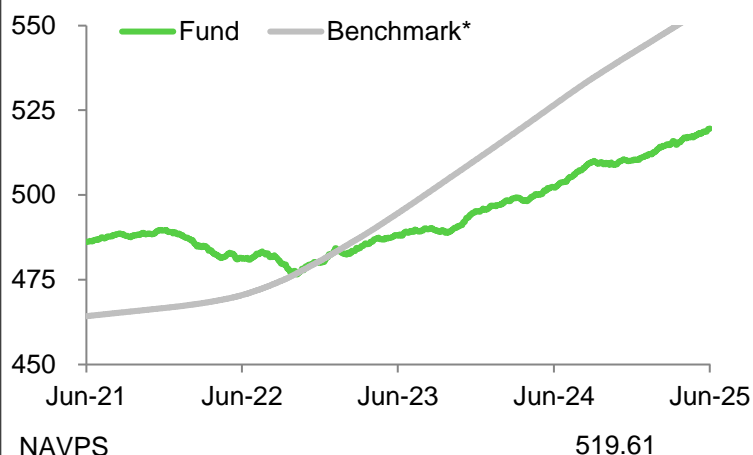
- Are at least classified as **moderately aggressive** based on their risk profile.
- Have an investment horizon of up **at least three (3) years**.

FUND FACTS

Classification:	Medium-Term Bond Fund
Launch Date:	February 5, 2002
Dealing Day:	Daily up to 2:00 PM
Minimum Investment:	USD 600.00 ¹
Min. Subsequent Order:	Equivalent amount of 1 share
Minimum Holding Period:	180 calendar days
Redemption Settlement:	T+0 End-of-Day
Early Redemption Charge:	1.00%
Total Management Fee²:	1.25% per annum
Total Fund NAV (Mn) :	USD 196.52

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

NAVPS GRAPH



STATISTICS

Weighted Ave Duration (Yrs)	6.15
Volatility, Past 1 Year (%) ⁵	0.53
Sharpe Ratio ⁶	-2.18
Information Ratio ⁷	-3.91
Port. Weighted Yield to Maturity (%)	3.95
Number of Holdings	68

PORTFOLIO COMPOSITION

Allocation % of Fund

Government	26.32
Corporates	71.65
Fixed Income Funds	0.59
Cash & Cash Equivalents ⁸	1.44

Asset Valuation

Marked-to-Market	30.80
Amortized Cost	69.20

Maturity Profile

Less than 1 year	14.71
1 – 3 years	9.61
3 – 5 years	28.81
More than 5 years	46.87

CUMULATIVE PERFORMANCE (%) ³

	1 mo	6 mos	1 YR	3 YRS	5 YRS	S.I. ⁴
Fund	0.34	1.86	3.44	7.96	9.66	128.40
Benchmark	0.44	2.66	5.59	17.73	20.19	72.32

ANNUALIZED PERFORMANCE (%) ³

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ⁴
Fund	3.44	3.20	2.59	1.68	1.86	3.59
Benchmark	5.59	5.93	5.59	4.47	3.75	2.35

CALENDAR YEAR PERFORMANCE(%) ³

	YTD	2024	2023	2022	2021	2020
Fund	1.86	3.01	3.17	-1.96	1.19	3.34
Benchmark	2.66	6.09	6.15	2.96	1.03	1.37

BENCHMARK

3-month US Treasury bill plus 1.00%

TOP HOLDINGS

Name	Maturity	%
Ayala Corporation	PERP	8.44
Aboitiz Equity Ventures, Inc.	2030	8.10
First Pacific	2027	6.05
JG Summit Holdings	2030	5.68
Manila Water Company, Inc.	2030	5.67

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

²Management, Distribution & Transfer Agency Fees

³Returns are net of fees.

⁴Since Inception.

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

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

⁷Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

⁸Includes time deposits, other receivables (accrued income, investment securities purchased, accrued expenses, etc.) Net of Liabilities⁸

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. In June 2025, global fixed income markets saw yield curves steepen amid mixed investor sentiment and central bank actions. US Treasuries rallied following dovish commentary from the Federal Reserve (FED) and softer US economic data, leading to a bull-steepening of the curve as yields fell across maturities. Meanwhile, Japanese Government Bonds bear-steepened with the long-term yields rising due to weak demand in the 20-year auction.

During its June 2025 meeting, the FED kept its policy rate steady at 4.25%-4.50%, maintaining a cautious stance and signaling two potential rate cuts later in the year. FED Chair Powell reiterated their wait-and-see stance before acting particularly regarding the inflationary impact of tariffs. Geopolitical tensions heightened mid-month as Israel launched airstrikes on Iranian infrastructure, prompting U.S. military involvement and driving a flight to safe-haven assets.

In the Philippines, the dollar-denominated bond market remained stable and attractive to investors. The government's earlier issuances of global bonds, including long-dated USD tranches, continued to trade actively in secondary markets. These instruments remained appealing due to their relatively high yields and the country's improving fiscal outlook. Additionally, the Philippines maintained its momentum in sustainable finance, with a significant portion of its foreign-currency debt stock composed of sustainability bonds. For the month, the JP Morgan Asia Credit Index - Philippines returned 0.07%.

On the local front, Philippine headline inflation slowed to 1.4% in April 2025, down from 1.8% in March, marking one of the lowest rates in recent years. This decline was driven by easing prices in key commodity groups such as food and transport. Meanwhile, the country's GDP growth outlook remained strong, with the Asian Development Bank projecting a 6.0% expansion for 2025, supported by robust domestic demand and infrastructure investments. These developments reinforced investor confidence in Philippine assets, including its dollar-denominated bonds.

Fund Performance. The Fund returned 0.34% for the month, underperforming its benchmark by 10 basis points. Year-to-date return amounted to 1.86%, underperforming its benchmark by 80 basis points.

Fund Strategy. The fund manager looks to maintain portfolio duration in consideration of potential volatility from geopolitical risk as a result of US President Trump's tariff policies. Though inflation is still expected to ease, policy changes may pose upside risk to the prices of goods and services. 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.