



# FUND FACT SHEET

All data as of October 31, 2023 unless otherwise stated

## Fund Objective and Strategy

The Fund aims to achieve long-term capital and income growth by investing in a diversified portfolio of fixed income and equity securities. The Fund aims to outperform its benchmark, which is composed of 50% BPI Philippine Government Bond Index and 50% Philippine Stock Exchange Index.

## Fund Details

|                     |                                  |
|---------------------|----------------------------------|
| Fund Manager        | BPI WEALTH – A Trust Corporation |
| Inception Date      | June 15, 2017                    |
| Fund Classification | Balanced Fund                    |
| Fund Size           | PHP 56.89 Million                |
| Fund Currency       | Philippine Peso                  |
| No. of Holdings     | 37                               |
| Fund Management Fee | 1.75% per annum                  |

## Highest and Lowest Unit Price Achieved

|                           |        |
|---------------------------|--------|
| Initial (15 June 2017)    | 1.0000 |
| Highest (30 January 2018) | 1.0596 |
| Lowest (24 March 2020)    | 0.8083 |
| NAVPU – 31 October 2023   | 0.9214 |

## Risk Classification

The Fund is suitable for investors with an aggressive profile or for those who take long-term views. As a marked-to-market UITF, the Fund's net asset value and total return may fall as well as rise as a result of stock prices and interest rates movements. On redemption of units, an investor may receive an amount less than the original amount of investment. Prior to investment in the Fund, the investor shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, risk tolerance, preferences and experience.

## BPI-Philam Active Allocation Fund Market Commentary

The BPI Government Bond Index returned -1.33% in October as the local yield curve bear steepened, rising 45 basis points (bps) on average. Average daily trading volume for the month amounted to PHP10.15 billion lower than September's PHP18.22 billion with trades mostly seen on the short-end of the curve.

The Bureau of the Treasury (BTr) held only three FXTN auctions in October. The 5-year FXTN 10-64, 7-year FXTN 7-70, and 10-year FXTN 10-71 reissuances were fully awarded at average yields of 6.512%, 6.675%, and 6.954%, respectively. Towards the end of the month, the BTr released the November auction schedule with five Treasury Bill auctions and five FXTN issuances (5-, 7-, 10-, 15-, and 6-year tenors) with an offer size of PHP30 billion each.

In the local space, September headline inflation rose by 6.1% year-on-year, exceeding market expectations of 5.7%. Coming from last month's 5.3%, inflation continued to accelerate as food and energy prices jumped with rice prices surging 17.9% year-on-year. Consequently, the Bangko Sentral ng Pilipinas (BSP) delivered an off-cycle rate hike, raising its key policy rate by 25 basis points in an effort to subdue the persistent price pressures. The BSP's FY2024 inflation forecast was raised to 4.7% from the previous 4.3%. With regards to the upcoming November Monetary Board meeting, the central bank noted that it would remain data dependent in considering the future path of policy rates.

The Philippine Stock Exchange Index (PSEI) sank below the 6,000 mark as a slew of unfavourable macro-economic developments kept investors on the edge. On the global front, weakness in US indices and global equities was evident as an effect of rising yields where 10-year US Treasury yields climbed over 5% for the first time since 2007. Moreover, the US Federal Reserve (Fed) maintained their hawkish stance as they opted to keep interest rates elevated to fight sticky inflation. The on-going geopolitical tensions between Israel and Hamas added to concerns with its potential escalation to other nations in the Middle East. This pose further risk to global oil prices. On the local economic front, the Bangko Sentral ng Pilipinas (BSP) decided to hike its policy rate by 25 basis points to 6.5% in an off-cycle meeting to counter supply-side pressures in CPI inflation. The PSEI dipped 5.5% month-on-month in October to close at 5,973.78.

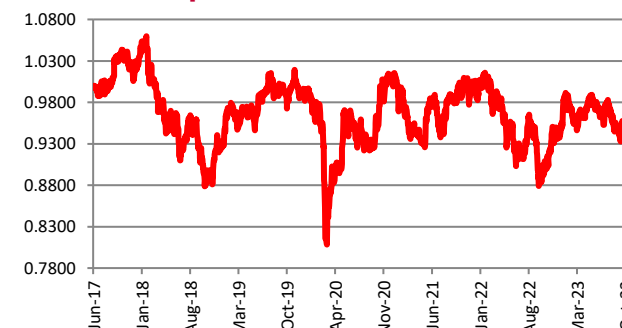
Trading activity in October subsided after strong activity seen in index-rebalancing events in September. Average daily turnover registered at US\$81 million or 37.8% lower month-on-month. Meanwhile, foreigners continued to be net sellers with US\$171 million worth of outflows.

In terms of stock performance, the top three gainers for the month included: ACEN (+7.94%), TEL (+2.89%) and EMI (+0.24%). Meanwhile, the bottom three performers were: SCC (-16.91%), AGI (-13.96%) and CNVRG (-12.81%).

## Cumulative Performance (%)

| YTD   | 6 Months | 1YR  | 2YR   | Since Inception |
|-------|----------|------|-------|-----------------|
| -1.70 | -5.64    | 1.85 | -6.49 | -7.86           |

## NAVPU Graph

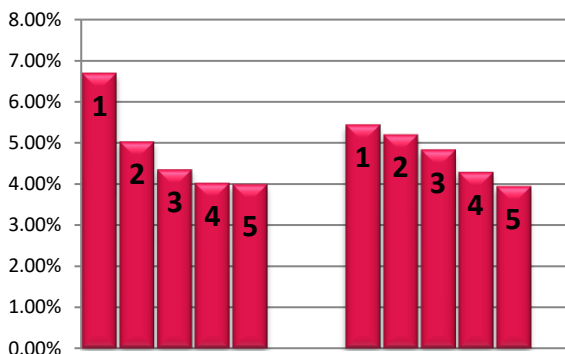


## PORTFOLIO COMPOSITION

| Allocation                     | % of Fund |
|--------------------------------|-----------|
| Equities                       | 42.80     |
| Government Securities          | 6.67      |
| Corporate Bonds                | 47.34     |
| Time Deposits and Money Market | 3.19      |

## TOP 10 HOLDINGS

### Asset Allocation



## Top Equity Holdings

|                                  |       |
|----------------------------------|-------|
| ① SM Investments Corporation     | 6.69% |
| ② SM Prime Holdings, Inc.        | 5.03% |
| ③ BDO Unibank, Inc.              | 4.35% |
| ④ Bank of the Philippine Islands | 4.02% |
| ⑤ Ayala Land Inc.                | 3.99% |

## Top Fixed Income Holdings

|                                       |       |
|---------------------------------------|-------|
| ① Fixed Rate Treasury Note 10/20/2032 | 5.44% |
| ② Retail Treasury Bond 08/22/2028     | 5.20% |
| ③ Fixed Rate Treasury Note 7/19/2031  | 4.83% |
| ④ Fixed Rate Treasury Note 11/24/2042 | 4.29% |
| ⑤ Retail Treasury Bond 03/07/2028     | 3.94% |

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