

# FUND FACT SHEET

All data as of September 30, 2024 unless otherwise stated

## Fund Objective and Strategy

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 aims to outperform its composite benchmark, 75% of the 91-day Philippine Treasury Bill– net of tax and 25% of the BPI 1-5 Year Index.

## Fund Details

Fund Manager	BPI WEALTH – A Trust Corporation
Inception Date	October 25, 2011
Fund Classification	Bond Fund
Fund Size	PHP 10,342.48 Million
Fund Currency	Philippine Peso
No. of Holdings	90
Fund Management Fee	1.00% per annum

## Highest and Lowest Unit Price Achieved

Initial (25 October 2011)	1.0000
Highest (30 September 2024)	1.4624
Lowest (25 October 2011)	1.0000
NAVPU – 30 September 2024	1.4624

## Risk Classification

The Fund is suitable for investors who take medium- to long-term views. 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. The Fund's yield, net asset value, and total return may fluctuate as a result of interest rate movements and the changes in credit quality of the investments. On redemption of shares, an investor may receive an amount less than the original amount of the investment. Liquidity risk also needs to be taken into account.

# BPI-Philam Peso Bond Fund

## Market Commentary

The BPI Government Bond Index rose month-on-month, gaining by a hefty 2.01% in September as Philippine government bond yields decreased by an average of 52 basis points (bps). Average daily trading volume for the month reached Php 50.2 billion, up from Php41.3 billion in August, with most trades concentrated in 5 and 10-year securities. The Bureau of the Treasury (BTr) held four FXTN auctions in September, fully awarding the 3-, 5-, 10-, and 20-year tenors. Auction highs were generally aligned with, or came in slightly below, secondary market bids at the time, with the BTr awarding at 6.050%, 6.075%, 5.974%, and 5.899%, respectively.

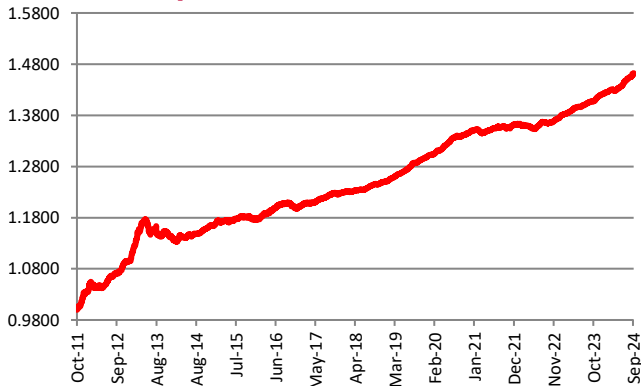
On the domestic front, we saw headline inflation return to its downward trend as it decelerated to 3.3% in August from 4.4% in July, exceeding economists' median estimate of 3.6%. The lower-than-expected inflation was driven mainly by decreases in food inflation after lower rice tariffs brought rice prices down to 14% from 21% a month earlier. Another driver for the decline in yields was the BSP's announcement to reduce the reserve requirement ratios (RRRs) by 250 basis points for universal banks down to 7%. Every 1% cut in RRR is estimated to release 130 to 150 billion pesos worth of liquidity into the system. This new RRR will take effect on October 25, 2024.

Internationally, US inflation decelerated from 2.9% in July to 2.5% in August, in line with median estimates. US Federal Reserve officials highlighted the ongoing moderation in inflation and slowing economic data, supporting the case for a possible rate cut in September

## Cumulative Performance (%)

YTD	6 Months	1YR	2YR	Since Inception
2.94	2.24	3.99	7.14	46.24

## NAVPU Graph

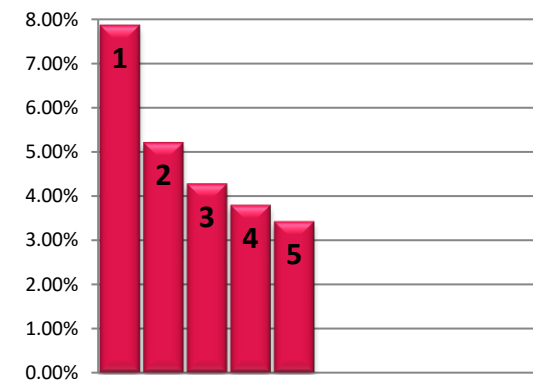


## PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	47.05
Corporates	51.86
Fixed Income Funds	0.00
Cash & Cash Equivalents	0.35
Preferreds	0.74

# TOP HOLDINGS

## Asset Allocation



① Retail Treasury Bond 2029	7.86%
② Fixed Rate Treasury Bond 2044	5.21%
③ Fixed Rate Treasury Bond 2032	4.27%
④ Ayala Corporation Bond 2025	3.79%
⑤ Aboitiz Equity Ventures, Inc. Bond 2027	3.42%

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