

31 May 2024

Dollar Global Opportunistic Dividend-Paying Fund



FUND DETAILS:

Inception Date	16-Feb-21	Latest NAVPU	0.807020
Fund Manager	Allianz Global Investors (AGI)	Initial NAVPU	1.000000
Fund Currency	USD	Highest NAVPU (02.16.2021)	1.000000
Fund Size	USD 3.33 Million	Lowest NAVPU (10.23.2023)	0.796449
Management Fee	1.85% p.a.	Pricing / Valuation	Daily

Risk Classification

The Fund is suitable for investors with a moderately aggressive profile or for those who take medium to long - term views. As a marked -to-market Fund, its net asset value and total return may fall or rise as a result of interest rate movements and stock price movements. On redemption of units, a policyholder may receive an amount less than the original amount invested. Prior to investment in the Fund, the policyholder 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.

Market Commentary

It was a roller coaster ride for sovereign fixed income markets in May, with 10-year US Treasury yields trading in a 4.30-4.65% range, before ending the month at 4.50% (18 basis points (bps) lower on the month). Interest rate markets took some comfort from the latest US inflation data, with the US Federal Reserve's (Fed's) preferred core personal consumption expenditures (PCE) deflator coming in line with expectations at 2.8% year-over-year (y/y), even as activity and labour market data continued to suggest the US economy remains resilient. Meanwhile, the latest Fed meeting minutes and comments from Fed speakers were generally less dovish than that of Fed Chair Jerome Powell after the most recent Fed meeting. Interest rate markets continued to push out the timing of Fed rate cuts to the end of this year and 2-year US Treasury yields ended the month at 4.87%. The US 7s30s curve saw some modest steepening, ending the month at 14 bps (6 bps higher).

In the euro area, interest rate markets continued to anticipate the start of an European Central Bank (ECB) rate cutting cycle in June, even as activity data suggested early signs that the growth outlook was improving from the end-2023 lows and as core euro area consumer price index (CPI) inflation edged up to 2.9% y/y. 10-year Bund yields ended the month at 2.66% (8 bps higher over the month).

In the UK, the Bank of England (BoE) kept the policy rate on hold at 5.25%, as expected, but BoE Governor Bailey sent a clear signal that the path to lower interest rates was approaching. Nonetheless, although headline UK CPI inflation slowed to 2.3% y/y and core

CPI inflation came in at 3.9% y/y, both were above expectations, tempering market pricing on the timing and pace of UK rate cuts in 2024. On the political front, the UK Prime Minister called a surprise general election for 4 July, even though the latest polling strongly suggests that the governing Conservative Party is likely to lose after 14 years in power. 10-year Gilt yields ended the month fractionally lower at 4.32% (down 3 bps).

In Japan, the currency continued to come under pressure, despite two rounds of intervention in April and early May. As a consequence, the pressure on the Bank of Japan (BoJ) to signal a less dovish path to monetary policy normalisation continued to grow. 10-year Japanese Government Bond (JGB) yields ended the month at 1.06% (up 19 bps) and their highest levels since 2011.

In currency markets, signs of stable to improving activity in China and Europe saw the US dollar weaken against other G10 currencies, with the Norwegian krone being the best performer versus the USD (up 5.6%), while the Japanese yen lagged behind (broadly flat versus the USD).

Market Outlook

Looking ahead, while it remains a challenging environment for sovereign fixed income markets, we believe that the outlook for sovereign bond returns is starting to look more asymmetric in selective markets. Following the sharp re-pricing in Fed rate cut expectations for 2024, the US macro outlook is now better priced in US Treasury valuations, although we are looking for a catalyst to add US duration – such as early signs of labour market weakness and a material tightening in US financial conditions. We believe that the macro and policy backdrop still favours yield curve steepeners in the US via the 7s30s curve and Germany via 5s30s and 10s30s. We also expect attractive returns from sovereign relative value bond positions as economic trajectories diverge through 2024 given differences across markets in debt fundamentals, the transmission of monetary policy and fiscal support. We currently favour longs in the UK, Australia and New Zealand versus shorts in Germany. In the real rates space, against the backdrop of heightened inflation volatility and attractive valuations, we also favour an allocation to US inflation-linked bonds.

AGI RISK AND REWARD INDICATOR



Investment Objective

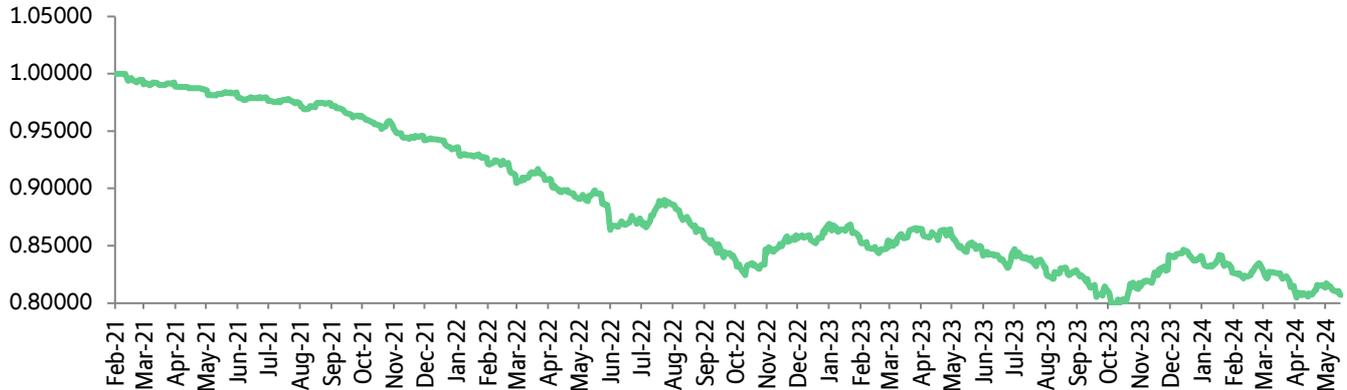
To achieve long-term capital growth and income by investing in global bond markets

- The Fund is exposed to significant risks which include investment/general market, company-specific, creditworthiness/credit rating/ downgrading, default, currency, valuation, asset allocation, country and region, emerging market and interest rate risks.
- The Fund is also exposed to risks relating to securities lending transactions, repurchase agreements and reverse repurchase agreements.
- The Fund may invest in emerging markets which are subject to greater liquidity risk, currency risk, general market risk, settlement risk and custodial risk. The Fund is additionally subject to legal, taxation and regulatory risks.
- The Fund may invest in high-yield (non-investment grade and unrated) investments and convertible bonds which may subject to higher risks, such as volatility, loss of principal and interest, creditworthiness and downgrading, default, interest rate, general market and liquidity risks and therefore may adversely impact the net asset value of the Fund.
- The Fund may invest in financial derivative instruments ("FDI") for efficient portfolio management (including for hedging) which may expose to higher leverage, counterparty, liquidity, valuation, volatility, market and over the counter transaction risks. The Fund will not invest extensively in FDI for investment purpose.
- Dividend payments may, at the sole discretion of the Investment Manager, be made out of the Fund's capital or effectively out of the Fund's capital which represents a return or withdrawal of part of the amount investors originally invested and/or capital gains attributable to the original investment. This may result in an immediate decrease in the NAV per share and the capital of the Fund available for investment in the future and capital growth may be reduced.
- This investment may involve risks that could result in loss of part or entire amount of investors' investment.
- In making investment decisions, investors should not rely solely on this material.

Performance Overview

Performance History	Year To Date	1 Year (YoY)	3 Years (YoY)	5 Years (YoY)	Since Inception
Absolute	-4.66%	-4.46%	-17.85%	N/A	-19.30%
Annualized	N/A	-4.46%	-6.34%	N/A	-6.31%

NAVPU Since Inception



Portfolio Analysis

Asset Allocation



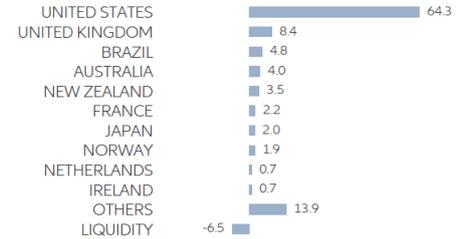
Bond Type Allocation (%)



Credit Rating Allocation (%)



Country/Location Allocation (%)



Top 10 Holdings ⁴

Country/Location	%
TSY INFL IX N/B I/L FIX 1.375% 15.07.33	9.3
US TREASURY N/B FIX 4.125% 15.11.32	7.7
US TREASURY N/B FIX 3.500% 15.02.33	7.1
UNITED KINGDOM GILT FIX 4.375% 31.07.54	6.6
TSY INFL IX N/B I/L FIX 1.125% 15.01.33	5.9
NOTA DO TESOURO NACIONAL NTN F FIX 10.000% 01.01.31	4.8
TSY INFL IX N/B I/L FIX 1.750% 15.01.34	4.1
US TREASURY N/B FIX 4.000% 31.01.31	3.9
AUSTRALIAN GOVERNMENT 166 FIX 3.000% 21.11.33	3.7
US TREASURY N/B FIX 3.750% 31.12.30	3.6
Total	56.7

Statistics Summary

Average Coupon	3.41%
Average Credit Quality	AA-
Effective Duration	4.39 years
Yield to Maturity	5.20%

IMPORTANT NOTICE:

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RISKS

- Equities and other equities securities (ie. covered call, short-call option) and high-yield bonds may be subject to volatility and loss risks. The volatility of the fund unit price may be strongly increased.
- Underperformance of global capital markets possible
- Currency losses possible against investor currency in unit classes not hedged
- Flexible investment policy is no guarantee that losses will be excluded
- Limited participation in the potential of individual securities
- Success of single security analysis and active management not guaranteed
- Any distributions involving payment of distributions out of the Fund's capital may result in
- an immediate decrease in the Net Asset Value per Share and may reduce the capital available for the Fund for future investment and capital growth