

29 FEBRUARY 2024

Dollar Fixed Income Fund

FUND DETAILS:

| | | | |
|----------------|-------------------------------|----------------------------|----------|
| Inception Date | 25-May-05 | Latest NAVPU | 2.149930 |
| Fund Manager | BPI Asset Mgmt. & Trust Corp. | Initial NAVPU | 1.000000 |
| Fund Currency | USD | Highest NAVPU (08.12.2020) | 2.370021 |
| Fund Size | USD 7.14 Million | Lowest NAVPU (05.25.2005) | 1.000000 |
| Management Fee | 1.60% p.a. | Pricing / Valuation | Daily |

Risk Classification

The Fund is suitable for investors 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 rates 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

The JP Morgan Asia Credit Index (JACI) Philippines lost 0.12% in February as Philippine dollar-denominated bonds tracked movements in US Treasuries. Global bonds experienced heightened volatility in February as policy rate cut expectations were tempered amidst higher-than-expected inflation, and strong jobs data. During the month, market participant pushed back their expected timing of the US Federal Reserve's first rate cut from May to June.

In January, US consumer price index (CPI) inflation rose by 3.1%, faster than the 2.9% median estimate. Moreover, unemployment rate came at 3.7% with wage growth at 4.5% YoY, also higher than expectations. These macroeconomic data reinforce the Fed's decision to keep rates steady and the Fed officials' remarks that it is still too early for policy rate cuts. Consequently, the 10-year US Treasury benchmark yield surged from 3.91% to 4.25% for the month. On the domestic front, February inflation rose to 3.4% from 2.8% in January driven by food inflation. Latest figure beat estimates of 3.0% rise. Similar to the Fed's stance, the Bangko Sentral ng Pilipinas (BSP) kept policy rates steady with policymakers signaling the need to be vigilant against inflation pressures from costlier food because of El Niño and higher transport and electricity prices.

Market Outlook

The portfolio will maintain its slight overweight duration to take advantage of the expected respite in yields as yields are seen to have reached its peak.



RISK RATING ●●○

MODERATELY AGGRESSIVE

Based on the Fund Manager's fund risk categorization

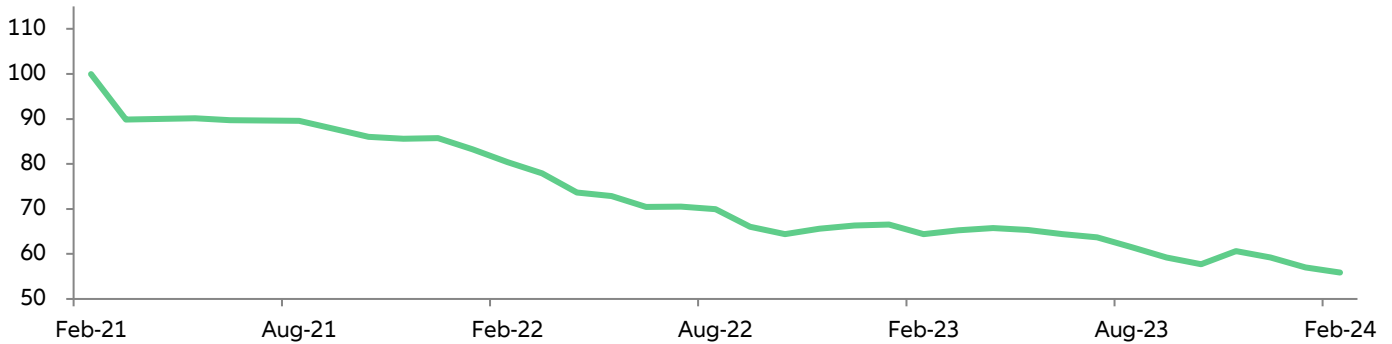
Investment Objective

To achieve preservation of capital and income growth over time by placing a premium on performance with low risks over the long term. The portfolio will be invested in US Dollar-denominated fixed income securities

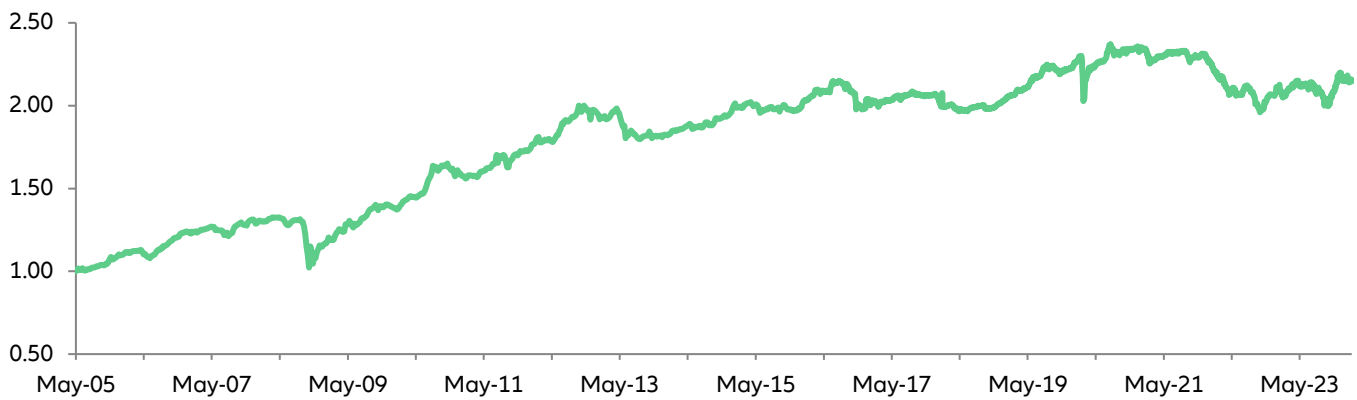
Performance Overview

| Performance History | Year To Date | 1 Year (YoY) | 3 Years (YoY) | 5 Years (YoY) | Since Inception |
|---------------------|--------------|--------------|---------------|---------------|-----------------|
| Absolute | -2.30% | 2.37% | -5.40% | 2.62% | 114.99% |
| Annualized | N/A | 2.37% | -1.83% | 0.52% | 4.16% |

Indexed Performance Over 3 Years (NAV - NAV)



NAVPU Since Inception

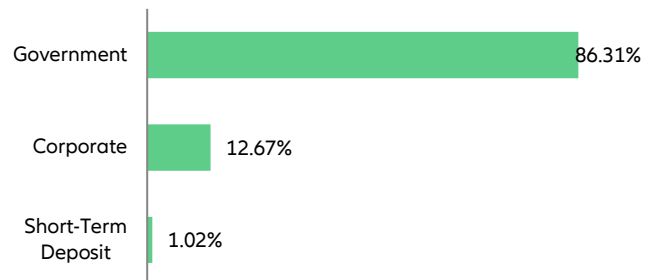


Portfolio Analysis

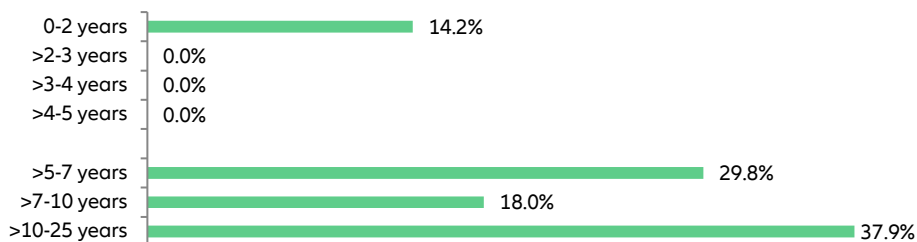
Top 5 Holdings

| Securities | % |
|-------------------------|-------------|
| ROP 1/17/2048 | 29.7 |
| ROP30 9.50% 02/02/2030 | 17.2 |
| ROP32 6.375% 01/15/2032 | 15.2 |
| ROP31 7.75% 01/14/2031 | 12.6 |
| ICTSI 9/17/2025 | 8.8 |
| Total | 83.5 |

Asset Allocation



Maturity Profile (Bond Holdings)



IMPORTANT NOTICE:

This document is for information purposes only. This does not constitute an offer or a solicitation to buy or sell any investment referred to in this document. The information in this publication is based on carefully selected sources believed to be reliable but we do not make any representation as to its accuracy or completeness. Any opinions herein reflected are good as of this date but may be subject to change without prior notice. Investment or participation in the Fund is subject to risk and possible loss of principal, and is not insured by the Philippine Deposit Insurance Corporation (PDIC). Losses, if any, shall be for the account and risk of the Trustor/Participant. Past performance is not indicative of future performance.