

**FUND FACTS**

<b>Classification:</b>	Multi-asset Fund	<b>Net Asset Value per Unit (NAVPU):</b>	Php 181.42
<b>Launch Date:</b>	April 4, 2005	<b>Total Fund NAV (Mn):</b>	Php 4,759.44
<b>Minimum Investment:</b>	Php10,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	Php1,000.00	<b>Redemption Settlement:</b>	T+2 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

<b>Trustee Fees:</b> 0.1271%* 1.50% per annum BPI Wealth	<b>Custodianship Fees:</b> 0.0007%** HSBC, DB AG Manila Branch****	<b>External Auditor Fees:</b> 0.0039%*** Isla Lipana	<b>Other Fees:</b> 0.0000%**** None
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\*Monthly rate: billings received for October 2024 divided by the average daily NAV for the same month valued at Php4,855.25 mn

\*\*Monthly rate: billings received for September 2024 divided by the average daily NAV for the same month valued at Php4,806.83 mn

\*\*\*Billing is received at the last quarter of the year

\*\*\*\*Change in custodian to DB AG Manila Branch as of August 2024

**INVESTMENT OBJECTIVE AND STRATEGY**

This Fund seeks to achieve long term capital growth derived from a diversified portfolio of equity and fixed income securities. The Fund aims to provide excess return over the composite benchmark, 50% Philippine Stock Exchange Index and 50% BPI Philippine Government Bond 1-5 Year Index.

**CLIENT SUITABILITY**

A client profiling process shall be performed prior to participating in the Fund to guide the prospective investor if the Fund is suited to his/her investment objectives and risk tolerance. Clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, before deciding to invest.

The BPI Balanced Fund is suitable for investors who:

- Are at least classified as aggressive based on their risk profile
- Have an investment horizon at least five (5) years

**KEY RISKS AND RISK MANAGEMENT**

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

**Interest Rate Risk:** Investors are exposed to adverse changes in the prices of domestic fixed income securities due to a rise in interest rates, which generally causes fixed income security prices to decline. Factors/ events that may lead to a rise interest rates include adverse market conditions, issuer-specific factors/ events and/ or negative developments in domestic political and economic conditions.

**Equity Price Risk:** Investors are exposed to adverse changes in the prices of stocks listed in the Philippine Stock Exchange, which may be brought about by adverse stock market conditions, unfavorable company earnings and valuations and/ or negative developments in domestic and global political and economic conditions.

**Liquidity Risk:** Investors are exposed to the risk of loss due to the fund's inability to convert fixed income and equity security holdings to cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price due to limited buyers/ sellers in the market, low trading volumes or market disruptions, among other reasons/ factors.

**Related Party Risk:** Investors are exposed to actual or potential conflicts of interest in the handling of related party transactions by the Trustee, specifically, time deposit placements with the Trustee's own bank and/ or its subsidiary, purchase of debt and equity securities issued by related parties, as well as the execution of trade transactions with related counterparties.

**Credit/ Default Risk:** Investors are exposed to the risk of loss due to the failure of the borrower/ debt issuer to make timely interest and/ or principal payments on its deposit liabilities, loans, bonds or other debt instruments due to a deterioration in the borrower's/ issuer's financial condition or external factors and events that may affect its ability to repay financial obligations such as negative developments in domestic political and economic conditions.

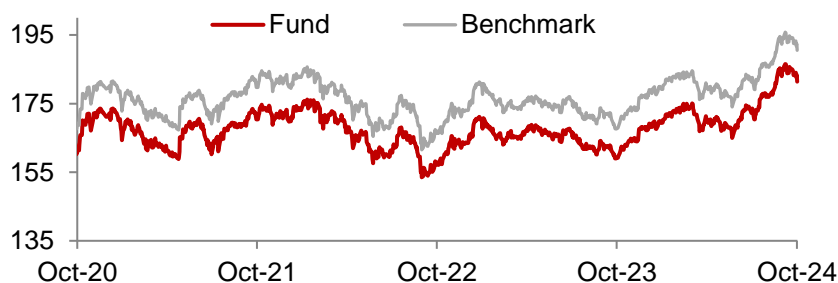
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.
- WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES SHALL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.
- THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.
- THIS PRODUCT CANNOT BE SOLD TO YOU UNLESS ITS BENEFITS AND RISKS HAVE BEEN THOROUGHLY EXPLAINED. IF YOU DO NOT FULLY UNDERSTAND THIS PRODUCT, DO NOT PURCHASE OR INVEST IN IT.

## FUND PERFORMANCE AND STATISTICS AS OF OCTOBER 31, 2024

(Purely for reference purposes and is not a guarantee of future results)

### NAVPU GRAPH



\* Benchmark is 50% PSEi, 50% return of the BPI Philippine Government Bond 1-5 Year Index, net of tax (\*Effective February 1, 2022)

### CUMULATIVE PERFORMANCE (%) <sup>1</sup>

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>-0.87</b>	<b>5.23</b>	<b>6.49</b>	<b>13.96</b>	<b>6.47</b>	<b>164.39</b>
<b>Benchmark</b>	<b>-0.90</b>	<b>4.98</b>	<b>5.80</b>	<b>13.57</b>	<b>6.04</b>	<b>165.83</b>

### ANNUALIZED PERFORMANCE (%) <sup>1</sup>

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>13.96</b>	<b>7.41</b>	<b>2.11</b>	<b>2.99</b>	<b>0.20</b>	<b>5.09</b>
<b>Benchmark</b>	<b>13.57</b>	<b>7.03</b>	<b>1.97</b>	<b>3.11</b>	<b>0.59</b>	<b>5.12</b>

### CALENDAR YEAR PERFORMANCE (%) <sup>1</sup>

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>8.52</b>	<b>2.27</b>	<b>-4.17</b>	<b>-0.40</b>	<b>-3.42</b>	<b>3.08</b>
<b>Benchmark</b>	<b>7.89</b>	<b>2.08</b>	<b>-4.32</b>	<b>0.79</b>	<b>-2.29</b>	<b>4.38</b>

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	50.93
Cash and Cash Equivalents	1.25
Corporates	4.49
Government	43.20
Other Receivables – Net of Liabilities <sup>6</sup>	0.13
<b>Sector Holdings</b>	
Holding Firms	13.48
Financials	12.63
Services	8.50
Property	8.23
Industrials	8.08
Mining and Oil	0.00

### RELATED PARTY TRANSACTIONS\*

The Fund has transactions and outstanding investments including deposit, investments in the share/s of stock, and/or debt issuances of the following companies related to the BPI Wealth - A Trust Corporation ("BPI Wealth"):

ACEN Corporation — Php 48.89 Mn  
 Ayala Corporation — Php 153.59 Mn  
 Ayala Land, Inc. — Php 147.11 Mn  
 Bank of the Philippine Islands — Php 230.73 Mn  
 Globe Telecom, Inc. — Php 59.29 Mn

Investments in the said outlets were approved by the BPI Wealth's Board of Directors. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

\* Related party in accordance with BPI Wealth's internal policy.

### NAVPU over the past 12 months

Highest	186.49
Lowest	159.19

### STATISTICS

Portfolio Beta	1.01
Volatility, Past 1 Year (%) <sup>3</sup>	7.53
Sharpe Ratio <sup>4</sup>	1.25
Information Ratio <sup>5</sup>	0.46
Current Number of Holdings	54

<sup>1</sup>Returns are net of fees.

<sup>2</sup>Since Inception

<sup>3</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>4</sup>Used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

<sup>5</sup>Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

<sup>6</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

\*Declaration of Trust is available upon request through branch of account.

### TOP TEN HOLDINGS

Names	Maturity	%
Retail Treasury Bond	3/7/2028	7.78
SM Investments Corporation		7.07
Fixed Rate Treasury Note	1/25/2034	6.44
Retail Treasury Bond	2/28/2029	6.39
Int'l Container Terminal Services, Inc.		5.55
BDO Unibank, Inc.		4.87
Bank of the Philippine Islands		4.85
SM Prime Holdings, Inc.		4.48
Fixed Rate Treasury Note	10/13/2029	4.27
Retail Treasury Bond	8/22/2028	4.00

## OUTLOOK AND STRATEGY

### Market Review.

The BPI Government Bond Index fell month-on-month, losing 0.36% in October as Philippine government bond yields increased by an average of 15 basis points (bps). Average daily trading volume for the month reached Php 39.6 billion, down from Php50.2 billion in September, with most trades concentrated in 5 and 10-year securities. The Bureau of the Treasury (BTr) held three FXTN auctions in October, fully awarding the 5-, 7- and 10-year tenors. Auction highs were generally aligned with secondary market bids at the time, with the BTr awarding at 5.508%, 5.690%, and 5.870%, respectively.

On the domestic front, inflation continued its downward trend as it decelerated to 1.9% in September from 3.3% in August, much lower than economists' median estimate of 2.5%. The lower-than-expected inflation was driven by slower food price increases and a decline in transportation costs. Consequently, the Bangko Sentral ng Pilipinas cut rates by 25 basis points during its policy meeting in October, citing easing price pressures. The BSP will continue to vigilantly monitor economic data releases in determining its policy actions moving forward.

Internationally, US inflation decelerated from 2.5% in August to 2.4% in September, in line with market estimates. However, despite evidence of easing inflation, US Treasuries were extremely volatile for the month as investors anticipated the upcoming US elections in early November.

The Philippine Stock Exchange Index (PSEi) cooled in October following three consecutive months of strong performances. At the beginning of the month, the local bourse continued its ascent to north of 7,500 mark backed by the release of lower-than-expected local inflation print in September at 1.9%. Consequently, the Bangko Sentral ng Pilipinas (BSP) reduced policy rates by 25 basis points to 6.0% for the second time in 2024. However, the PSEi failed to overcome the 7,500 to 7,600 resistance level as profit-taking took place. This coincided with weakness on the Philippine Peso which closed to 58.10 or -3.69% month-on-month. Moreover, risk-off stance was adopted by market players as they awaited the result of the US election. The PSEi gave up 1.78% month-on-month to 7,142.96.

The market turnover slowed to Php5 billion or -24% month-on-month in October. Meanwhile, foreigners continued to be net buyers at US\$22 million, which marked the 4th consecutive month of net foreign buying. Top foreign bought stocks were AC (+US\$24.5 million), BPI (+US\$15 million) and GLO (+US\$10.0 million). In terms of participation level, it was an even split between foreigners and locals at 50%.

On a per stock basis, the top three index gainers for the month include: MER (+11.82%), CNPF (+10.38%) and MONDE (+7.07%). Meanwhile, the bottom three performers include: JGS (-12.59%), WLCON (-12.02%) and ALI (-10.66%). Market breadth was skewed to the negative territory with 23 declines versus 7 advances.

**Fund Performance.** The fund returned -0.87% in October, underperforming the benchmark by 3 basis points. Year-to-date, the Fund registered a gain of 8.52%, above the benchmark by 63 basis points.

**Fund Strategy.** The Fund will be defensive as uncertainties from post-US Election results, and volatility from geo-political risks coupled with thin market liquidity remain. The Fund's preference is still for companies with leading market capitalization and good fundamentals as well as dividend paying stocks.

For the fixed income portion of the fund, the Fund looks to maintain its position in long-term bonds as interest rates are expected to decline in the second half of the year. Investors in a balanced fund must be prepared to withstand volatility as higher investment value is typically achieved over the medium to long term.

## LIST OF PROSPECTIVE INVESTMENTS

The following are among the Fund's approved investment outlets, wherein the Trustee intends to invest depending on strategy, availability, or other market-driven circumstances:

- (a) Shares of Stock of selected corporations which are already listed or being offered publicly and soon to be listed in major capital markets.
- (b) Primarily medium term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable fixed-income instruments issued by financial institutions or private corporations; exchange-listed securities; marketable instruments that are traded in an organized exchange; loans traded in an organized market; and, such other tradable investment outlets/ categories as the BSP may allow.
- (c) Primarily medium term tradable fixed-income securities issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund.
- (d) Bank deposits and such other investments allowed under regulations issued by the BSP.

*BPI Wealth is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send us a message through <https://www.bpi.com.ph/contactus> or call our 24-hour BPI Contact Center at (+632) 889-10000.*

*BPI Wealth as Trustee/Investment Manager is regulated by the Bangko Sentral ng Pilipinas. <https://www.bsp.gov.ph>*