

FUND FACTS

Classification:	Multi-asset Fund	Net Asset Value per Unit (NAVPU):	Php 119.84
Launch Date:	July 20, 2018	Total Fund NAV (Mn):	Php 145.55
Minimum Investment:	Php10,000.00	Dealing Day:	Daily up to 2:00 PM
Additional Investment:	Php1,000.00	Redemption Settlement:	T+2 End-of-Day
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES*

Trustee Fees: 0.0246%* 0.30% per annum	Custodianship Fees: 0.0010%** HSBC	External Auditor Fees: 0.00%*** Isla Lipana	Other Fees: 0.00% None
--	--	---	----------------------------------

*Billings received for June 2024 divided by the average daily NAV for the month valued at Php145.12 mn

**Billings received for May 2024 divided by the average daily NAV for the month valued at Php144.69 mn

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

INVESTMENT OBJECTIVE AND STRATEGY

The Fund intends to achieve long term capital growth derived from a diversified portfolio of equity and fixed income securities. The Fund aims to provide absolute returns in excess of the return of the composite benchmark, 90% BPI Philippine Government Bond 1-3 Year Index and 10% Philippine Stock Exchange Index(PSEi), net of tax.

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 Bayanihan Balanced Fund is suitable for investors who:

- Are at least classified as moderately aggressive based on their risk profile
- Have an investment horizon of more than 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.

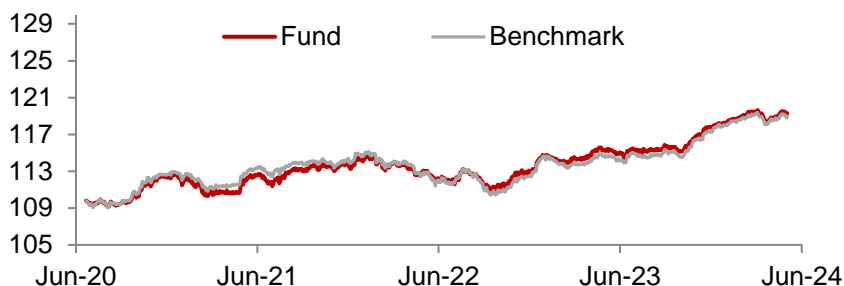
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- 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 JUNE 28, 2024

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

NAVPU GRAPH



* Benchmark is 10% PSEi, 90% return of the BPI Phil 1-3 Year index, net of tax

CUMULATIVE PERFORMANCE (%) ¹

	1 mo	3 mos	6 mos	1 YR	3 YR	S.I. ²
Fund	0.46	0.35	1.76	4.29	6.50	19.84
Benchmark	0.40	0.17	1.83	4.65	5.41	20.01

ANNUALIZED PERFORMANCE (%) ¹

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. ²
Fund	4.29	3.43	2.12	2.22	2.82	3.09
Benchmark	4.65	3.35	1.77	2.17	2.69	3.12

	YTD	2023	2022	2021	2020	2019
Fund	1.76	4.23	-0.45	1.06	4.63	8.03
Benchmark	1.83	4.29	-1.30	1.15	4.77	8.48

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	75.73
Corporates	12.18
Cash	0.07
Time Deposits and Money Market	3.37
Equities	7.82
Other Receivables – Net of Liabilities ⁶	0.82
Sector Holdings	
Holding Firms	2.09
Property	1.42
Services	1.54
Financials	1.68
Industrials	1.09
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 2.62 Mn
 Ayala Corporation — Php 5.51 Mn
 Ayala Land, Inc. — Php 0.67 Mn
 Bank of the Philippine Islands — Php 1.00 Mn
 Globe Telecom, Inc. — Php 0.38 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	119.84
Lowest	114.44

STATISTICS

Portfolio Beta	1.02
Volatility, Past 1 Year (%) ³	1.58
Sharpe Ratio ⁴	-0.16
Information Ratio ⁵	-0.41
Current Number of Holdings	42

¹Returns are net of fees.

²Since Inception

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

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

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

⁶Includes accrued income, investment securities purchased, accrued expenses, etc.

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

TOP TEN HOLDINGS

Names	Maturity	%
Fixed Rate Treasury Note	2/14/2026	26.78
Retail Treasury Bond	8/22/2028	11.63
Retail Treasury Bond	3/4/2027	11.36
Retail Treasury Bond	6/2/2027	9.27
Fixed Rate Treasury Note	1/10/2029	7.67
Retail Treasury Bond	2/28/2029	3.42
Time Deposit		3.37
Ayala Corporation	5/26/2027	3.36
Aboitiz Equity Ventures, Inc.	8/9/2025	2.68
Fixed Rate Treasury Note	4/27/2030	2.36

OUTLOOK AND STRATEGY

Market Review. The BPI Government Bond Index rose 0.68% in June as the local yield curve fell by 6 basis points (bps) on average. Average daily trading volume for the month amounted to Php20.86 billion, lower than May's Php23.86 billion with trades mostly seen on the belly of the curve.

The Bureau of the Treasury (BTr) held four FXTN auctions in June. The 7-year FXTN 20-17 and 20-year FXTN 20-27 re-issuances were fully awarded at average yields of 6.624% and 6.860%, respectively. Meanwhile, the 10-year FXTN 10-72 and 15-year FXTN 20-23 re-issuances, were partially awarded at average yields of 6.754% and 6.781%, respectively. The Bureau of Treasury (BTr) announced its borrowing program for the third quarter of 2024, with weekly Treasury bill offers increased to PHP 20 billion. The BTr plans to issue more tenors for the quarter, offering PHP 30 billion each for the 3-, 5-, 7-, and 10- year papers while the 14- and 20-year Treasury bond offers were reduced to PHP 25 billion.

In the local space, May headline inflation accelerated for the fourth straight month by 3.9% year-on-year from the previous month's 3.8%. The main drivers of inflation included housing, water, electricity, and gas while rice prices saw a deceleration from the previous figure of 23.9% to 23%. In an effort to curb elevated rice prices, the National Economic Development Authority (NEDA) Board approved the new Comprehensive tariff program which reduces tariff rates for rice imports alongside other essential commodities effective until 2028. The Bangko Sentral ng Pilipinas (BSP) held its policy rate steady at 6.5% during their Monetary Board meeting in June. Despite the weakening Peso, BSP Governor Eli Remolona had dovish remarks on the possibility of an August rate cut, which is ahead of the market expectations of the Federal Reserve to begin easing in September. The BSP revised both its 2024 and 2025 inflation forecast to 3.1% from 3.8% and 3.7%, respectively.

The Philippine Stock Exchange Index (PSEi) went narrowly down for the month of June. Market sentiment was weak due to the depreciation of the Philippine Peso when it hovered near the Php59 level. In addition, the FTSE rebalancing related activity further pulled the local bourse to the year-low of 6,158.58. However, the market bounced towards the latter part of the month on bargain hunting as investors digested BSP Governor's dovish rhetoric and lower inflation outlook. The PSEi closed at 6,411.91 or 0.3% lower month-on-month in June.

Trading activity was subdued for the month. Average Daily Turnover only recorded at Php4.4 billion. Meanwhile, foreign activity continued to register net outflows at US\$104 million for June. Index proxies SM and AC both recorded the biggest outflow as market sentiment remained weak. Foreign participation improved from 46% to 48% for the month

On a per name basis, the top three index gainers for the month were: AEV(+10.70%), MBT (+8.86%) and ALI (+8.57%). Meanwhile, the bottom three performers include: MONDE (-16.07%), JGS (-15.97%) and CNPF (-14.27%).

Fund Performance. The fund returned 0.46% in June, above the benchmark by 6 bps. Year-to-date, the Fund registered a gain of 1.76%, behind the benchmark by 7 bps.

Fund Strategy. The Fund looks to maintain its current duration position as interest rates are expected to stabilize over the medium term. It will likewise continue to hold high quality corporate bonds for yield enhancement. While inflation has settled within the BSP's target in the past months, upside risks are still present. The BSP remains vigilant in monitoring supply side pressures and potential second-round effects. The central bank signalled that it is waiting for inflation rates to fall comfortably within the 2-4% target before cutting policy rates. Volatility may persist in the global space, and the portfolio will be actively managed to take advantage of this. Investors in a bond fund must be prepared to withstand volatility as higher investment value is typically achieved over the medium to long term.

For equities: The Fund will retain its defensive position as inflation and geopolitical risks remain coupled with thin market liquidity. The Fund's preference is still for companies with leading market capitalization and good fundamentals as well as dividend paying stocks.

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 - A Trust Corporation ("BPI Wealth") is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send an email to bpwealth@bpi.com.ph or call us at (02) 8580-2682.

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