

**Key Information and Investment Disclosure Statement  
As of July 31, 2024**

**FUND FACTS**

<b>Classification:</b>	Fixed Income Fund	<b>Net Asset Value per Unit (NAVPU):</b>	USD 240.54
<b>Launch Date:</b>	December 31, 2006	<b>Total Fund NAV (Mn):</b>	USD 30.10
<b>Minimum Investment:</b>	USD 100.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	No minimum	<b>Redemption Settlement:</b>	T+3 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

<b>Trustee Fees*:</b> 0.0424%	<b>Custodianship Fees**:</b> 0.0008%	<b>External Auditor Fees***:</b> 0.0000%	<b>Other Fees:</b> 0.00%
0.50% per annum			
BPI Wealth	HSBC	Isla Lipana	None

\*Monthly rate: billings received for July 2024 divided by the average daily NAV for the same month valued at USD 30.28 Mn

\*\*Monthly rate: billings received for June 2024 divided by the average daily NAV for the same month valued at USD 30.31 Mn

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

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to achieve investment returns that closely track the total return of a U.S. dollar-denominated index, the JP Morgan Asia Credit Philippines Total Return Index, before fees and taxes, by investing in a diversified portfolio of Philippine sovereign and corporate fixed income instruments.

**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 Philippine Dollar Bond Index Fund is suitable only for investors who:

- Are at least classified as 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:** The fund invests in a portfolio of Philippine Sovereign and corporate securities comprising the JP Morgan Asia Credit Philippines Total Return Index, exposing investors to the risk of loss arising from 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 and global political and economic conditions.

**Liquidity Risk:** Investors are exposed to the risk of loss due to the fund's inability to convert 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, 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 and global political and economic conditions.

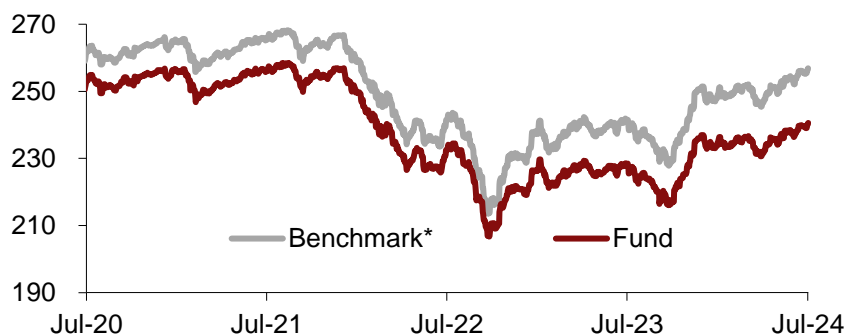
**Index Tracking Risk:** Investors are exposed to the risk of not being able to achieve a level of return that matches the index being tracked by the fund due primarily to operating and fund management expenses.

- 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 JULY 31, 2024

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

### NAVPU GRAPH



\*Benchmark is the JP Morgan Asia Credit Philippines Total Return Index

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

	1 mo	3 mo	6 mo	1YR	3YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>1.11</b>	<b>3.89</b>	<b>2.29</b>	<b>5.43</b>	<b>-6.03</b>	<b>140.54</b>
<b>Benchmark</b>	1.15	4.18	3.04	6.40	-3.23	162.54

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

	1YR	2YRS	3YRS	4YRS	5YRS	S.I.
<b>Fund</b>	<b>5.43</b>	<b>1.72</b>	<b>-2.05</b>	<b>-1.27</b>	<b>0.59</b>	<b>5.12</b>
<b>Benchmark</b>	6.40	3.14	-1.09	-0.48	1.33	5.64

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

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>1.54</b>	<b>7.31</b>	<b>-13.98</b>	<b>0.26</b>	<b>6.87</b>	<b>13.27</b>
<b>Benchmark</b>	2.17	8.97	-13.46	0.52	7.37	13.95

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	69.53
Corporates	28.90
Cash	1.01
Time Deposits and Money Market	0.43
Other Receivables – Net of Liabilities <sup>6</sup>	0.13
<b>Maturity Profile</b>	
Cash and less than 1 year	6.80
Between 1 and 3 years	17.94
Between 3 and 5 years	13.54
Between 5 and 7 years	17.82
Between 7 and 10 years	12.09
More than 10 years	31.81

### RELATED PARTY TRANSACTIONS\*

The Fund has investments and trade transactions with BPI Wealth – A Trust Corporation (“BPI Wealth”)

ACEN Corporation – USD 0.38 Mn  
 Ayala Corporation – USD 0.35 Mn  
 Globe Telecom, Inc. – USD 0.65 Mn;  
 Manila Water Company, Inc. – USD 0.28 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	240.54
Lowest	216.00

### STATISTICS

Weighted Ave Duration (Yrs)	6.66
Volatility, Past 1 Year (%) <sup>3</sup>	5.25
Port. Weighted Yield to Maturity (%)	7.12
Current Number of Holdings	68
Tracking Error (3-Yr) <sup>4</sup> (%)	0.81

<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>Measure of deviation between the Fund’s return and benchmark returns. A lower number means the Fund’s return is closely aligned with the benchmark.

<sup>5</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

<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

Name	Maturity	% of Fund
RoP	2/2/2030	4.85
RoP	10/23/2034	4.64
RoP	2/1/2028	4.06
RoP	1/14/2031	3.64
RoP	7/6/2046	3.25
RoP	2/2/2042	3.12
RoP	7/17/2033	2.99
RoP	3/1/2041	2.94
RoP	3/30/2026	2.88
RoP	1/20/2040	2.86

## OUTLOOK AND STRATEGY

**Market Review.** The JP Morgan Asia Credit Index (JACI) Philippines rose 1.15% in July as Philippine dollar-denominated yields declined, tracking the movements in US Treasuries. The 10-year US Treasury bond yield dropped by 37 bps from 4.40% to 4.03% in the same period.

Global bond yields fell as economic data releases further reinforced the view that the US Federal Reserve could accelerate its monetary policy rate cuts. US inflation slowed down further from 3.3% in May to 3.0% in June, lower than market expectations. Meanwhile, the PCE or the Personal Consumption Expenditure Core Price Index or PCE, which is the Federal Reserve's preferred gauge for inflation, also dropped from 2.6% in May to 2.5% in June.

On the domestic front, June inflation came in at 3.7% year-on-year, lower than the 3.9% recorded last May and slower than market expectations. The slowdown was evident in a number of segments, particularly in housing in transport. Moving forward, rice tariff reductions could tame inflation further. The Bangko Sentral ng Pilipinas has reiterated that it remains vigilant of forthcoming data releases and will act accordingly in terms of adjusting its monetary policy.

**Fund Performance.** The fund returned 1.11% in July, underperforming the benchmark by 4 bps. Year-to-date, the fund returned 1.54%, underperforming the benchmark by 63 bps.

**Fund Strategy.** The Fund will continue to closely track the JPMorgan Asia Credit Total Return Index. Investors in a bond 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) Primarily long 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.
- (b) 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
- (c) The principal investments of the Fund will be in fixed-income instruments denominated in, but are not limited to, the following major currencies: U.S. Dollar, Euro, British Pound, Canadian Dollar, Australian Dollar, Swiss Franc, Danish Kroner, and Japanese Yen.
- (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 [bpiwealth@bpi.com.ph](mailto:bpiwealth@bpi.com.ph) or by visiting [www.bpi.com.ph/contactus](http://www.bpi.com.ph/contactus). You may also 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>