

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT****FUND FACTS**

<b>Classification:</b>	Money Market Fund	<b>Net Asset Value per Unit (NAVPU):</b>	USD 335.21
<b>Launch Date:</b>	August 30, 1994 <sup>a</sup>	<b>Total Fund NAV (Mn):</b>	USD 628.24
<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+0 End-of Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

<b>Trustee Fees:</b> 0.0410%* <i>0.50% per annum</i>	<b>Custodianship Fees:</b> 0.0004%**	<b>External Auditor Fees:</b> 0.00%***	<b>Other Fees:</b> 0.00%
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BPI Wealth HSBC Isla Lipana None

\*Monthly rate: billings received for June 2024 divided by the average daily NAV for the same month valued at USD602.81 Mn

\*\*Monthly rate: billings received for May 2024 divided by the average daily NAV for the same month valued at USD577.11 Mn

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

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund intends to achieve for its Participants liquidity and stable income derived from a diversified portfolio of foreign currency-denominated short-term fixed income instruments. The Fund aims to provide absolute returns in excess of the return of the 3-month U.S. Treasury Bill. The Fund was approved to be converted to a U.S. Dollar-denominated money market fund last March 6, 2015<sup>a</sup>. It has likewise been renamed to the BPI U.S. Dollar Short Term Fund last June 1, 2015.

**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 U.S. Dollar Short Term Fund is suitable only for investors who:

- Are at least classified as moderately conservative based on their risk profile.
- Have an investment horizon of up to one (1) year.

**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 short term foreign currency denominated fixed income securities, 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 political and economic conditions of countries where the securities are issued/ traded.

**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, time deposit placements with the Trustee's own bank and/ or its subsidiary, purchase of debt 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 its home country's political and economic conditions.

**Forex Risk:** Investors are exposed to the risk of loss from a decline in fund value when the market value of foreign currency denominated fixed income securities held by the fund are converted/ translated to US Dollar.

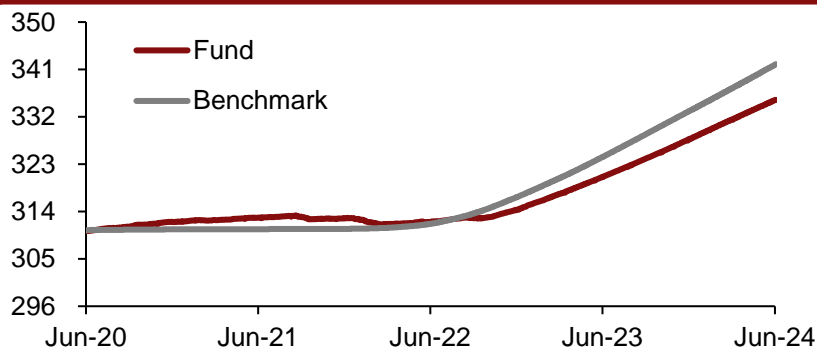
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- 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 3-month U.S. Treasury Bill

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

	1 mo.	3 mos.	6 mos.	1YR	3YRS	S.I.
<b>Fund</b>	<b>0.34</b>	<b>1.14</b>	<b>2.27</b>	<b>4.55</b>	<b>7.15</b>	<b>15.94</b>
<b>Benchmark</b>	0.40	1.35	2.65	5.38	10.06	16.43

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

	1YR	2YRS	3YRS	4YRS	5YRS	S.I.
<b>Fund</b>	<b>4.55</b>	<b>3.66</b>	<b>2.33</b>	<b>1.95</b>	<b>1.88</b>	<b>1.64</b>
<b>Benchmark</b>	5.38	4.73	3.25	2.44	2.20	1.69

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

	YTD	2023	2022	2021	2020	2019
<b>Fund</b>	<b>2.27</b>	<b>4.27</b>	<b>0.51</b>	<b>0.24</b>	<b>1.25</b>	<b>1.91</b>
<b>Benchmark</b>	2.65	5.16	1.94	0.03	0.37	2.07

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	26.93
Corporates	1.01
Cash	0.05
Time Deposits and Money Market	74.75
Other Receivables – Net of Liabilities <sup>5</sup>	-2.73

#### Maturity Profile

Maturity Profile	% of Fund
Cash and less than 1 year	100.00
Between 1 and 3 years	-
Between 3 and 5 years	-
Between 5 and 7 years	-
Between 7 and 10 years	-
More than 10 years	-

### NAVPU over the past 12 months

Highest	335.21
Lowest	320.63

### STATISTICS

Weighted Ave Duration (Yrs.)	0.17
Annualized Volatility (%) <sup>2</sup>	0.18
Sharpe Ratio <sup>3</sup>	-4.63
Information Ratio <sup>4</sup>	-9.56
Port. Weighted Yield to Maturity (%)	4.74
Current Number of Holdings	105

<sup>1</sup>Returns are net of fees. The Fund was converted to the U.S. Dollar Short Term Fund last June 1, 2015.

<sup>2</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>3</sup>Used to characterize how well the return of a Fund compensates the investor for the level of risk taken.

<sup>4</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>5</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	% of Fund	
Time Deposit	3.14	
Time Deposit	3.13	
Time Deposit	2.94	
Time Deposit	2.53	
Time Deposit	2.39	
Time Deposit	2.38	
Time Deposit	2.33	
Time Deposit	1.59	
US Treasury Notes	07/09/2024	1.59
US Treasury Notes	07/11/2024	1.59

### RELATED PARTY TRANSACTIONS\*

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

Bank of the Philippine Islands – USD 65.90 Mn

Investments in the said outlets were approved by 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

## OUTLOOK AND STRATEGY

**Market Review.** The JP Morgan Asia Credit Index (JACI) Philippines rose 1.73% in June as Philippine dollar-denominated yields declined, tracking the movements in US Treasuries. The 10-year US Treasury bond yield dropped by 10 bps from 4.50% to 4.40% in the same period.

Global bond yields fell as economic data releases strengthened the view that policy rate cuts are on the horizon. US CPI inflation slowed down further from 3.4% in April to 3.3% in May. Moreover, 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 2.78% in April to 2.57% in May. The Federal Reserve met in June and as expected they kept their policy rates steady at 5.50%.

On the domestic front, the BSP's Monetary Board met in June and also maintained their overnight policy rates as expected. However, BSP Governor Remolona has hinted at a potential policy rate cut in August. One reason that the BSP kept rates steady is that inflation continues on its recent uptrend, rising from 3.8% in April to 3.9% in May. Another possible concern is the exchange rate with the peso weakening getting close to the 59 level. Given these 2 concerns, the market is at odds on whether the rate cut will push through or not.

**Fund Performance.** The Fund returned 0.34% for the month, 6 basis points below its benchmark.

**Fund Strategy.** The Fund will maintain its duration of less than one. Expectations of interest rates staying elevated may help maintain current portfolio yield.

## 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 short-term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable securities issued by the government of a foreign country, any political subdivision/agency of a foreign country or any supranational entity; tradable fixed-income instruments issued by foreign or local 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 investments outlets/ categories as the BSP may allow. Provided, that, a financial instrument is regarded as tradable if two-way prices are quoted, readily available or regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- (b) Primarily short-term tradable fixed-income instruments 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; and any such other instruments as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Subsection X410.12 (a) of the Manual of Regulations for Banks.
- (c) The principal investments of the Fund will be in money market 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, BSP special deposit account or tradable debt instruments issued by the BSP.
- (e) 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>*