

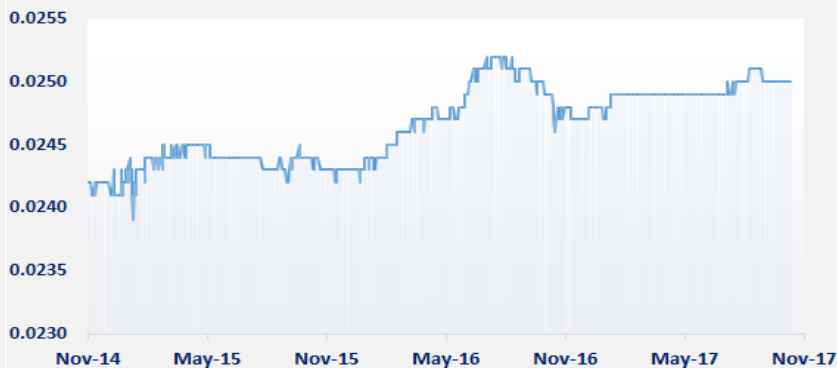
The Fund that aims to generate a steady stream of income by investing in a diversified portfolio of fixed income instruments issued by foreign and local entities.

INCEPTION DATE: 10 OCT 14	MIN INVESTMENT: \$ 1,000	FUND CURRENCY: US Dollar
FUND SIZE: \$ 4.58M	ADD'L INVESTMENT: \$ 100	MANAGEMENT FEE: 1.75%

FUND FACT SHEET

as of November 10, 2017

NAVPS GRAPH



SUMMARY & OUTLOOK

Emerging Markets' (EM) 10-year yields up 10bps week-on-week (WoW)

Yields of EM bonds we follow rose by an average of 10bps last week amid continuing Congressional discussions on US tax reform. Hungary (10-year yield: -10bps), Poland (-7bps), and Peru (-4bps) outperformed last week, while Lebanon (10-year yield: +66bps), Argentina (+54bps), and Czech Republic (+21bps) underperformed. The spread between EMs and developed markets local currency bonds was at its widest since 2011, according to Bloomberg calculations, despite the 11% rally of the former this year.

Analysts point to slowing inflation in many EM economies as the cause of the widening spread. The recent sell-off of EM bonds may provide a buying opportunity, but analysts remain wary since the asset class is prone to contagion, i.e., political problems in South Africa, Brazil and Turkey, and geopolitical concerns in the Korean peninsula. EM fundamentals remain attractive: thinning current account deficits, improved growth prospects, global growth, and rising commodity prices, but investors should still keep an eye out for a dollar rally, more rapid-than-expected Fed rate hikes, and traction of US tax reform as downside risks to the asset class.

US 10-yr UST up 6bps, WoW

The US Treasury yield curve rose by 6bps WoW on average as the 10-yr UST likewise increased by 6bps to 2.40% amid ongoing tax reform discussions in Congress and Senate, the release of disappointing US consumer sentiment data, and the impending third Fed rate hike next month. Investors also reduced their holdings to make space for fresh debt supply this week (\$23bn of 10-yr UST and \$15bn of 30-yr UST).

FUND PERFORMANCE

NAVPS	YTD	SINCE INCEPTION
0.0250	1.21%	4.60%
1-YEAR	3-YEAR	5-YEAR
0.81%	1.09%	-

Past performance is not a guide to future performance. The price of securities can and does fluctuate, and any individual security may experience upward or downward movement.

SECTOR ALLOCATION

