



The Fund seeks to provide as high a level of current income as is consistent with the preservation of capital and liquidity, suitable for conservative, long-term investors looking for reasonable growth but are wary of price volatility.

INCEPTION DATE: 06 SEP 05	MIN INVESTMENT: PHP 5,000	FUND CURRENCY: PH Peso
FUND SIZE: PHP 1.64B	ADD'L INVESTMENT: PHP 1,000	MANAGEMENT FEE: 1.75%

## FUND FACT SHEET

as of October 31, 2018

### NAVPS GRAPH



### SUMMARY & OUTLOOK

Local bond yields ended the month of October with the 91-day T-bill now trading at 5% yield. As such, bond trading activity remained concentrated on short end of the yield curve (T-bills and 3- & 5-year tenor securities). With the October inflation remaining elevated at 6.7%, FAMI thinks that another 25 basis points of rate hike is expected from BSP given its mandate to stabilize prices. Thus, FAMI thinks that it is still imperative to keep portfolio duration short and patiently wait for higher interest rates before deploying funds into longer dated bonds. For the fourth quarter of 2018, FAMI expects the yield curve to continue to steepen with the long end rising faster on the back of higher rates and tightening monetary conditions. Currently, the Philippines has about 400 Billion pesos left in liquidity parked with the BSP. With the government's ambitious infra and spending plan, we believe that both public and private need to raise funding to meet 2019's investment requirements and funding gaps thus, the chances for higher rates moving forward.

### FUND PERFORMANCE

NAVPS	YTD	SINCE INCEPTION
<b>2.2127</b>	<b>-0.16%</b>	<b>119.62%</b>
1-YEAR	3-YEAR	5-YEAR
<b>-0.22%</b>	<b>-0.10%</b>	<b>0.23%</b>

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

