

FUND PROFILE

Fund Classification	Fixed Income Fund
Risk Profile	Moderate
Fund Currency	US Dollar
Launch Date	10-Oct-14
Net Asset Value per Share (NAVPS)	0.0249
Fund Size	USD 7.45 in Millions
Annualized Volatility	3.26%
Duration (Years)	4.92
Management Fee	up to 1.750% per annum
Min. Initial Investment	\$ 1,000
Min. Addl Investment	\$ 100
Min. Holding Period	6 months
Sales Load	max. of 3%
Exit Fee	1.00% within 6 months
Redemption Notice Period	max. of 7 days
Valuation Method	Marked-to-Market
Custodian Bank	Deutsche Bank AG Manila
Transfer Agent	Metrobank Trust

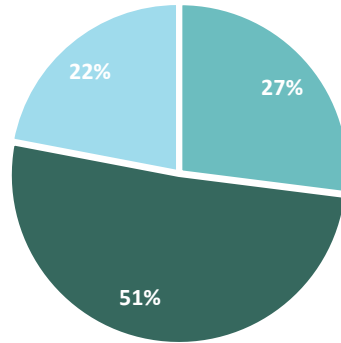
MARKET UPDATE

- Local GS yields continued to trade lower MoM albeit at a lower pace, with yields declining by 1 - 10 bps across the curve due to dovish signals from both the Fed and the BSP, as well as lower US yields due to softening US economic data.
- The BSP kept their policy rates unchanged in their last MB meeting and revised their risk-adjusted inflation forecast for both 2024 and 2025 to 3.1 percent from 3.8 percent and 3.7%, respectively, in the previous meeting. BSP Governor Remolona also reaffirmed the possibility of the first policy rate cut happening at the August MB meeting, and another rate cut some time in Q4, though reiterating the need of further evidence of slowing inflation to justify such cuts. June CPI was lower-than-expected at 3.7% (3.9% consensus and previous), mainly due to lower costs for transport, electricity, and housing. Furthermore, the BTR also released their borrowing schedule for Q3, where they will be offering PHP630B worth of T-bills and bonds. The T-bill auctions volume was increased to PHP20B from PHP 15B per week, while the bond auctions will continue to be offered for PHP30B with tenors of 3-years, 5-years, 7-years, and 10-years, while longer tenors such 14-years and 20-years were reduced to PHP25B.
- We expect the local GS market to trade rangebound with downward bias given lower US yields and recent policy rate cut optimism. Market movement will continue to be dictated by key economic data releases and further signals from the BSP on their monetary policy moving forward.
- US Treasury yields continued to trade lower by another 1 – 19 bps MoM as the Fed reaffirmed rate cut expectations for the year, which was supported by softer-than-expected US data releases. As expected, the Fed kept their policy rates unchanged in their last FOMC meeting, reiterating the need of inflation moving sustainably towards the 2% target before considering any policy rate adjustments, pricing in one 25-bps rate cut for 2024 in their latest dot plot. However, given softer-than-expected US data such as May CPI at 3.3% (3.4% consensus and previous, 0% MoM), market continues to price in 2 rate cuts for the year, with the first rate cut in the September FOMC meeting. ROP prices traded higher by 0.1 – 2.5 pts as credit spreads tightened due to renewed risk-on sentiment and ROP yields followed the movement in US Treasuries and, where the US 10-year reached a low of 4.213%, and eventually closed at 4.343% from 4.512% in the previous month.
- We expect the market to trade rangebound in the near term with some downward bias due to recent Fed rate cut optimism given softening US data. Market movement will continue to be dictated by upcoming data releases and signals from the Fed on their monetary policy moving forward.

DISCLAIMER: This is not a deposit product. Earnings are not assured and principal amount invested is exposed to risk of loss. An investment in the Fund is not insured or guaranteed by the Philippines Deposit Insurance Corporation or any other government agency. This product cannot be sold to you unless its benefits and risks have been thoroughly explained. 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.

FUND BASICS

The fund aims to generate returns through investments in dollar denominated government and corporate debt investments as well as bank deposits. This fund is suitable for moderate-risk investors with medium-term investment horizons.



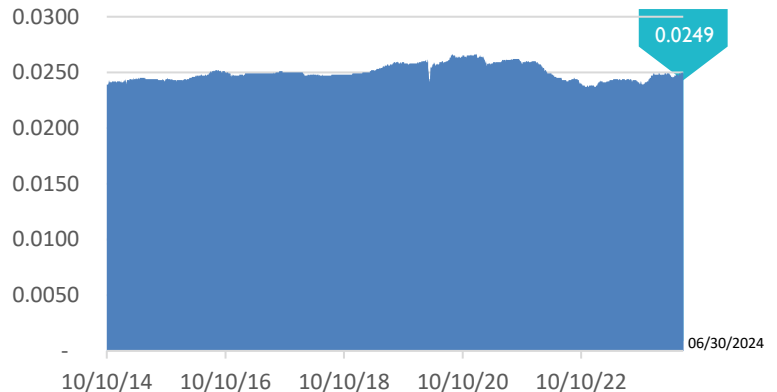
CUMULATIVE RETURNS¹

	YTD	1-year	3-year	5-year	S.I. ²
SALDBF	0.00%	2.05%	-4.60%	-2.73%	4.18%

CALENDAR YEAR RETURNS⁴

	2023	2022	2021	2020	2019	2018	2017
SALDBF	5.06%	-8.85%	-2.26%	3.10%	3.61%	-0.80%	1.21%

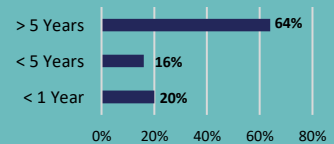
DAILY NAVPS PRICES



TOP 5 FIXED-INCOME SECURITIES (64.69% OF BOND HOLDINGS)

	COUPON	MATURITY DATE
INTERNATIONAL CONTAINER TERMINAL SERVICES, INC.	4.7500%	17/06/2030
JOLLIBEE FOODS CORPORATION	4.7500%	24/06/2030
RDB 2029	5.7500%	11/04/2029
ROP 34	6.3750%	23/10/2034
ROP 37	5.0000%	13/01/2037

MATURITY PROFILE



¹ Cumulative returns as of June 30, 2024.

² Since Inception as of 10/01/14.

³ Calendar Year Return is computed by getting the change on NAVPS from the first business day of the calendar year to the last business day of same year (Jan 01 – Dec 31 of a given year).

Note: Year-to-date (YTD) return refers to the amount of profit made by an investment since the first day of the current year