



BDO INSTITUTIONAL CASH RESERVE FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended October 31, 2023

FUND FACTS

Classification: Money Market Fund	Net Asset Value per Unit (NAVPU): PHP 130.3594
Launch Date: November 25, 2011	Total Fund NAV: PHP 42.783 Billion
Minimum Investment: None	Dealing Period: Up to 11:30am of any banking day
Minimum Additional Investment / Maintaining Participation: None	Redemption Settlement: After 4:00pm on same banking day the notice of redemption is received
Minimum Holding Period: None	Early Redemption Fee: None

FEES*

Trustee Fees: <u>0.0000%</u>	Custodianship Fees: <u>0.0002%</u>	External Auditor Fees: <u>0.0000%</u>	Other Fees: 0.0000%
BDO Trust and Investments Group	Deutsche Bank AG, Manila Branch	Punongbayan & Araullo	None

*As a percentage of average daily NAV for the month valued at PHP 38.742 Billion

INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to achieve for its participants mobilization of peso denominated investible funds to provide liquidity and a diversified portfolio of prudently selected highly liquid government securities, deposits and other fixed-income instruments with low price volatilities and a portfolio weighted average life of not more than one year (1) year. The Fund's benchmark is the 1 year rolling Peso Time Deposit average.

CLIENT SUITABILITY

A client profiling process should 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 BDO Institutional Cash Reserve Fund is primarily suitable for individual and corporate investors with moderate risk appetite and who are looking for liquid investments with yields relatively higher than those of savings and time deposits.
- ♦Participation in the Fund shall be open to any participants with existing investment management accounts (IMA) or trust and other fiduciary accounts (TA) with the Trustee or its subsidiaries.

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. This is the possibility for an investor to experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing interest rates.

Market/Price Risk. This is the possibility for an investor to experience losses due to changes in market prices of securities. It is the exposure to the uncertain market value of a portfolio due to price fluctuations.

Credit Risk/Default Risk. This is the possibility for an investor to experience losses due to a borrower's failure to pay the principal and/or interest in a timely manner on instruments such as bonds, loans, or other forms of security, which the borrower issued.

Reinvestment Risk. This is the risk associated with the possibility of having lower returns or earnings when maturing funds or the interest earnings of funds are reinvested.

The Fund employs a risk management policy based on modified duration. Modified duration measures the sensitivity of bond prices to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more the NAVPU will fluctuate in relation to changes in interest rates. All the Fund's investment outlets undergo evaluation in accordance with the Trustee's Investment Policy Manual. Regulatory exposure limits are monitored on a regular basis. The Fund may also use financial derivative instruments solely for the purpose of hedging risk exposures.

- ♦THE UIT FUND IS A TRUST PRODUCT AND NOT A DEPOSIT ACCOUNT, AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (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 WILL 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.

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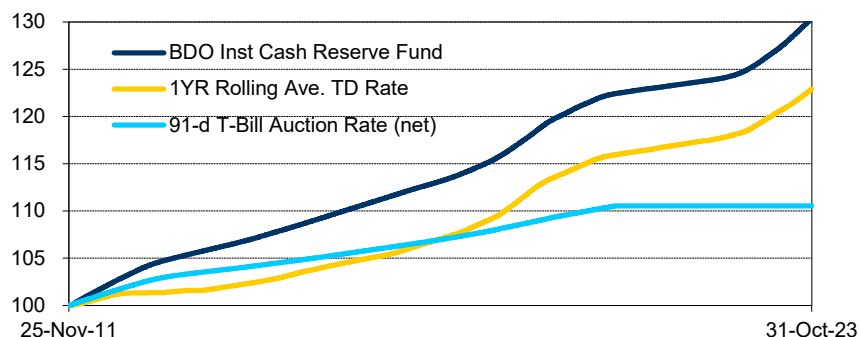
Month Ended October 31, 2023

FUND PERFORMANCE AND STATISTICS

AS OF October 31, 2023

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

Fund's NAVPu vs Benchmark & Risk Free Rate

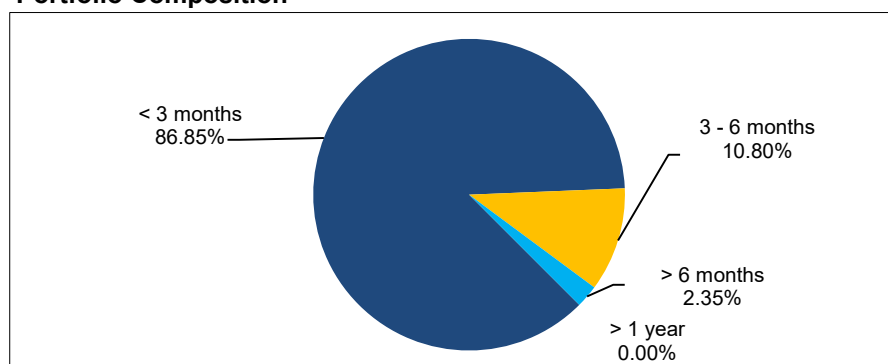


Cumulative Performance (%)

Period	1 mo	3 mos	6 mos	1 yr	3 yrs
Fund ¹	0.40%	1.19%	2.39%	4.24%	6.35%
Benchmark ²	0.37%	1.03%	1.92%	2.14%	2.14%

¹ Past performance is not indicative of future performance.² The Fund's benchmark is the 1 year rolling Peso Time Deposit average.

Portfolio Composition



NAVPU over the past 12 months

Highest	PHP 130.3594
Lowest	PHP 125.0527

Statistics

Weighted Ave. Duration	0.08
Volatility, Past 1 Year ³	0.17%
Sharpe Ratio ⁴	(0.30)
Information Ratio ⁵	14.80
Weighted Ave. Yield (net) ⁶	4.26%

³ Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.⁴ Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.⁵ Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.⁶ Net of taxes and trust fees.Top Ten Holdings⁷ (%)

Issue	% of Portfolio
TD Other Bank 11/3/2023 4.9%	7.0%
TD Other Bank 11/3/2023 4%	7.0%
TD Own Bank 11/3/2023 0.0625%	6.3%
BSP-Bill 11/7/2023 0%	4.7%
BSP-Bill 11/14/2023 0%	4.7%
BSP-Bill 11/21/2023 0%	4.7%
TD Own Bank 2/5/2024 6.1%	2.6%
TD Other Bank 11/6/2023 4%	2.3%
TD Other Bank 11/3/2023 4.9%	2.3%
TD Other Bank 11/3/2023 6%	2.3%
Total	44.1%

⁷ The complete list of portfolio holdings is available upon request

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has investments and trade transactions with BDO Unibank, Inc., its subsidiaries and related parties, as follows:

	Transaction	Market Value (Mn)
BDO Unibank, Inc.	Time Deposit Placement	2,700.00
China Bank	Time Deposit Placement	2,200.00

Investments in the said outlets were approved by the Trust Committee. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

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OTHER DISCLOSURES

OUTLOOK AND STRATEGY

The Consumer Price Index (CPI) accelerated further to 6.1% from 5.3% last month due to this the Bangko Sentral ng Pilipinas (BSP) delivered an off cycle rate hike of 25bps bringing the policy rate to 6.5%. Food and transportation contributed to the uptrend trajectory of the inflation. BSP open the table for possible another rate hike next month - November 2023. ICRF remains to be invested in time deposits while having a slight exposure to BSP Bills. The fund's duration at the end of October remains within its mandate at 0.08 years.

INVESTMENT POLICY / PROSPECTIVE INVESTMENTS

The Fund may invest in deposits in the Trustee's bank or in other banks, securities issued or guaranteed by the Philippine Government or the BSP, tradable securities issued by any supranational entity and exchange-listed fixed income securities. Subject to BSP guidelines and the Trustee's Trust Committee approval, the Fund may also avail itself of financial derivative instruments solely for the purpose of hedging risk exposures, as well as invest in other tradable outlets/categories as may be deemed suitable for the Fund.

OTHER BASIC FUND FACTS

Trust Fee: None	Bloomberg Ticker: <BDOICRF PM>
Initial NAVPU: PHP100.00	NAVPU Availability: Every trading day at 4:00 p.m.
<ul style="list-style-type: none"> A copy of the latest Audited Financial Statement is available in the BDO website (https://www.bdo.com.ph) Distribution Channels: Head Office Only 	

OTHER PERFORMANCE INDICATORS

Period	Fund	Benchmark	Risk-Free Rate ⁸
Year to Date	3.66%	2.14%	3.69%
Five Years Ago	12.53%	4.41%	12.85%
Since Inception	30.36%	12.90%	23.64%
CAGR ⁹ Since Inception	2.25%	1.02%	1.79%

⁸ Refers to 91-day T-Bill rates

⁹ Compounded Annual Growth Rate (CAGR) measures how fast an investment would have grown over time if it grew at a steady rate instead of actual varying rates.

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OTHER DISCLOSURES

- This Fund is available to Philippine residents and domestic corporations, with capacity to contract.
- Prospective participants/clients should also consult their own tax advisors as to the specific Philippine tax consequences of acquiring, holding and redeeming of units of any Fund/investment outlet, as well as the consequences arising under the laws of any other taxing jurisdiction.

Cooling-Off Period – Subject to the exemptions under BSP regulations, a Participant/Trustor shall be entitled to cancel his/its initial subscription, without penalty, upon formal notice to the Trustee within a period of two (2) banking days immediately following the signing of the Omnibus Participating Trust Agreement of BDO UITFs. However, the Participant/Trustor shall bear the payment of all costs, expenses and early redemption fees arising from such termination, if any. If a Participant/Trustor wishes to exercise his/its rights under this provision, the Participant/Trustor should immediately call/send an email to/visit his/its assigned Trust Marketing Officer or the Branch Manager/ Marketing Officer of the Participant's/Trustor's BDO Servicing Branch.

BDO Unit Investment Trust Funds (UITFs) are not deposits but trust agreements. They are not obligations of, nor guaranteed, nor insured by BDO or its affiliates and subsidiaries, and are not insured by, nor governed by the PDIC. Due to the nature of the investments of a UITF, the returns/yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the UITFs, including government securities, is for the account of the investor. The units of participation in the funds, when redeemed, may be worth more or worth less than the initial investment of the investor. Historical performance, when presented, is purely for reference purposes and not a guarantee of similar future results. BDO, as trustee, is not liable for losses unless there is fraud, willful default, bad faith or gross negligence. Investors must read the complete details of the UITFs in its Plan Rules, make their own risk assessment, and when necessary, seek an independent/professional opinion before making an investment. For more information, visit our website at www.bdo.com.ph/trust.

For inquiries or concerns relating to our products and services, you may 1) call BDO Contact Center at (+632) 8631-8000; 2) send an email to trustcustomer@bdo.com.ph; or 3) visit/call/email your assigned Trust Marketing Officer or the Branch Manager/Marketing Officer of your servicing branch. For more details on BDO's complaints handling process, please visit: www.bdo.com.ph/consumer-assistance.

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