



## BDO PERA SHORT TERM FUND

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended January 31, 2024

## FUND FACTS

<b>Classification:</b> Money Market Fund	<b>Net Asset Value per Unit (NAVPU):</b>	PHP 120.6940
<b>Launch Date:</b> June 27, 2017	<b>Total Fund NAV:</b>	PHP 28.816 Million
<b>Minimum Investment / Minimum Additional Investment / Minimum Maintaining Participation:</b> P10,000.00 or the minimum PERA initial contribution amount set by the PERA Administrator, whichever is lower	<b>Dealing Period:</b>	Up to 12:00 noon of any banking day
	<b>Redemption Settlement:</b>	One (1) banking day after the notice of redemption is received
<b>Minimum Holding Period:</b> 30 calendar days	<b>Early Redemption Fee:</b>	0.50% of Original Participation Amount

## FEES\*

Trustee Fees: <u>0.0430%</u>	Custodianship Fees: <u>0.0000%</u>	External Auditor Fees: <u>0.0000%</u>	Other Fees: <u>0.0027%</u>
BDO Trust and Investments Group	Standard Chartered Bank	Punongbayan & Araullo	None

\*As a percentage of average daily NAV for the month valued at PHP 28.129 Million

## INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims for capital preservation, income generation and liquidity from low-risk investments. The Fund's benchmark is the Bloomberg BPHIL Money Market index.

## 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 PERA Short Term Fund is suitable for Participants with a conservative risk profile and who are looking for liquid investments with yields relatively higher than those of savings and time deposit accounts.
- ♦Participation in the Fund shall be open to Participants who are (a) individuals; (b) have legal capacity to contract; (c) who have a Philippine Tax Identification Number (TIN); and (d) whose funds are in a PERA.
- ♦Participants/trustors are recommended to stay invested in the Fund for at least six (6) months.

## 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 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.

**BDO PERA SHORT TERM FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT (Page 2)**

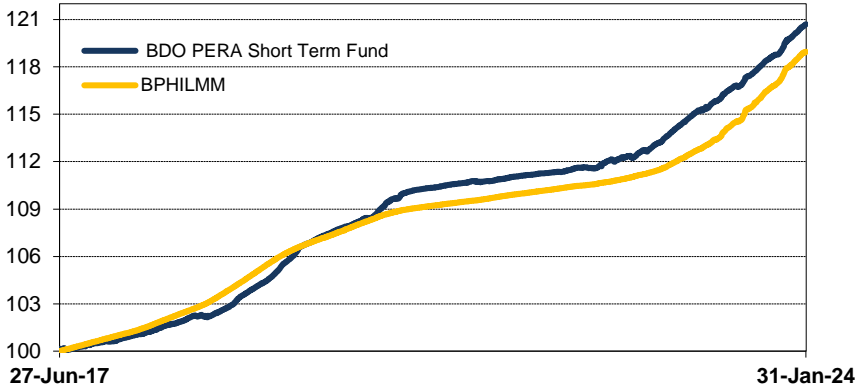
Month Ended January 31, 2024

**FUND PERFORMANCE AND STATISTICS**

**AS OF January 31, 2024**

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

**Fund's NAVPU vs Benchmark & Risk-Free Rate**



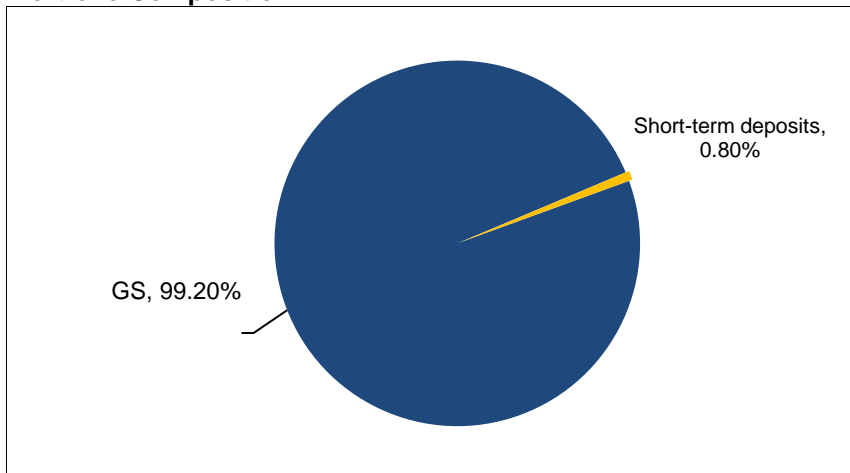
**Cumulative Performance (%)**

Period	1 mo	3 mos	6 mos	1 yr	3 yrs
Fund <sup>1</sup>	0.45%	1.62%	2.79%	4.97%	9.05%
Benchmark <sup>2</sup>	0.44%	1.70%	3.13%	5.69%	8.75%

<sup>1</sup> Past performance is not indicative of future performance.

<sup>2</sup> The Fund's benchmark is the Bloomberg BPHIL Money Market index.

**Portfolio Composition**



**NAVPU over the past 12 months**

Highest	PHP 120.6943
Lowest	PHP 114.9793

**Statistics**

Weighted Ave. Duration	0.58
Volatility, Past 1 Year <sup>3</sup>	0.43%
Sharpe Ratio <sup>4</sup>	1.04
Information Ratio <sup>5</sup>	(1.92)
Weighted Ave. Yield (net) <sup>6</sup>	5.47%

<sup>3</sup> Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>4</sup> 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.

<sup>5</sup> 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.

<sup>6</sup> Net of taxes and trust fees

**Top Ten Holdings<sup>7</sup> (%)**

Company Name	% of Portfolio
RTB 5-12 3/12/2024 6.25%	35.5%
FXTN 7-59 4/20/2024 4.5%	15.8%
FXTN 7-61 4/12/2025 5.75%	14.4%
FXTN 5-76 10/17/2024 4.25%	10.4%
FXTN 7-62 2/14/2026 6.25%	9.2%
RTB 3-11 3/9/2024 2.375%	8.8%
FXTN 3-1 2/4/2026 5.25%	5.2%
TD Other Bank 2/1/2024 4.9%	0.8%
TD Own Bank 2/1/2024 0.0625%	0.0%
-	-
<b>Total</b>	<b>99.97%</b>

<sup>7</sup> The complete list of portfolio holdings is available upon request

**RELATED PARTY TRANSACTIONS**

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

	Transaction	Market Value (Mln)
<b>BDO Unibank, Inc.</b>	Time Deposit Placement	-

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.

## BDO PERA SHORT TERM FUND

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT (Page 3)

Month Ended January 31, 2024

## OTHER DISCLOSURES

## OUTLOOK AND STRATEGY

December headline inflation further slowed down to 3.9% vs the previous month's 4.1%. Due to easing price pressures in the last quarter of 2023, Bangko Sentral ng Pilipinas (BSP) continues to hold policy rate at 6.5%. The PERA Short Term Fund remains invested in a mix of time deposits and short-term government bonds. The fund's duration at the end of January remains within its mandate at 0.58 years.

## INVESTMENT POLICY / PROSPECTIVE INVESTMENTS

The Fund may invest and reinvest in bank deposits in the Trustee's bank or in other banks, BSP Special Deposit Accounts; and such other tradable investments outlets/ categories allowed for PERA UITFs with conservative risk profile by the BSP and determined by the Trustee's Trust Committee as suitable for the Fund.

## OTHER BASIC FUND FACTS

<b>Trust Fee:</b> 0.50% p.a.	<b>Bloomberg Ticker:</b> <BDOPSTF PM>
<b>Initial NAVPU:</b> PHP100.00	<b>NAVPU Availability:</b> Every trading day at 7:30 p.m.
<ul style="list-style-type: none"> <li>The Fund is exempt from income tax in accordance with, and subject to, the provisions of RA 9505, the PERA Act.</li> <li>A copy of the latest Audited Financial Statement is available in the BDO website (<a href="https://www.bdo.com.ph">https://www.bdo.com.ph</a>)</li> <li><b>Distribution Channels:</b> For BDO PERA clients, via Invest Online and Head Office Only. The Fund is also available via Seedbox.</li> </ul>	

## OTHER PERFORMANCE INDICATORS

Period	Fund	Benchmark	Risk-Free Rate <sup>8</sup>
Year to Date	0.45%	0.44%	0.38%
Since Inception	20.69%	18.94%	17.63%
CAGR <sup>9</sup> Since Inception	2.89%	2.66%	2.49%

<sup>8</sup> Refers to 91-day T-Bill rates

<sup>9</sup> 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.

**BDO PERA SHORT TERM FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT (Page 4)**

Month Ended January 31, 2024

**OTHER DISCLOSURES**

**Best Performance (Past Five Years)**

Inclusive Dates	Biggest Gain	No. of Days to Achieve
01/31/2019 - 01/30/2024	16.69%	1825 days

**Maximum Drawdown and Recovery in NAVPUs<sup>9</sup> (Past Five Years)**

Maximum Drawdown Period	Biggest Loss	Recovery Period (days)
07/12/2022 - 07/18/2022	-0.13%	15 days

<sup>9</sup> *Maximum Drawdown is the maximum percentage loss that a fund incurs over a time period.*

*Maximum Drawdown Period is the length of time the maximum drawdown occurs.*

*Recovery Period is the length of time taken by a fund to surmount its maximum drawdown.*

- This Fund is available to Filipino Citizens and Philippine residents, 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 goverend 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](http://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](mailto: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](http://www.bdo.com.ph/consumer-assistance).

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