

PHILIPPINE DOLLAR BOND INDEX FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
As of April 30, 2015

FUND FACTS

Classification:	Index Tracker Bond Fund	Net Asset Value per Unit (NAVPU):	USD 196.76
Launch Date:	December 31, 2006	Total Fund NAV (Mn):	USD 29.93
Minimum Investment:	USD 500.00	Dealing Day:	Daily up to 12:00PM
Additional Investment:	USD 200.00	Redemption Settlement:	Day 1 End-of-Day
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES*

Trust Fees: 0.25%	Custodianship Fees: 0.0055%	External Auditor Fees: 0.0021%
BPI Asset Management	HSBC	Isla Lipana

As a percentage of average daily NAV for the quarter valued at USD 29.14 Million

Billings received in 2014 divided by the average daily NAV

INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to achieve investment returns that closely track the total return of a U.S. dollar-denominated index, the JP Morgan Asia Credit Philippines Total Return Index, before fees and taxes, by investing in a diversified portfolio of Philippine sovereign and corporate fixed income instruments.

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 Philippine Dollar Bond Index Fund is suitable only for investors who:

- Are at least classified as aggressive based on their risk profile
- Take medium- to long-term views, which means having an investment horizon of more than seven (7) years

KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with some of the accompanying risks.

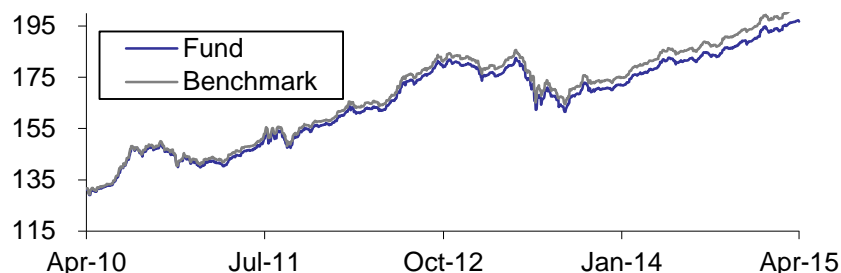
Market/Price Risk:	Possibility to experience losses due to adverse changes in market prices of securities.
Liquidity Risk:	Possibility to experience losses due to the fund's inability to convert assets into cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price.
Related Party Risk:	Risk of any actual or potential conflicts of interest in handling of related party transactions.
Foreign Exchange Risk:	Possibility to experience losses due to fluctuations in foreign exchange rates

- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (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.**

FUND PERFORMANCE AND STATISTICS AS OF APRIL 30, 2015

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

NAVPU GRAPH



NAVPU over the past 12 months

Highest	197.21
Lowest	178.54

STATISTICS

Weighted Ave Duration (Yrs)	7.56
Volatility, Past 5 Years (%) ²	4.91
Port. Weighted Yield to Maturity (%)	3.29
Current Number of Holdings	51
Tracking Error (3-Yr) ⁴	1.05
Average Credit Rating (Moody's/S&P)	Baa2/BBB

CUMULATIVE PERFORMANCE (%)¹

	1 mo	3 mo	6 mo	1YR	3YRS	S.I. ⁴
Fund	0.71	1.16	5.75	10.20	21.01	21.01
Benchmark	0.84	1.36	5.94	10.83	22.48	22.48

ANNUALIZED PERFORMANCE (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I.
Fund	10.20	4.39	6.56	8.36	8.47	8.46
Benchmark	10.83	4.67	6.99	8.66	8.91	8.86

CALENDAR YEAR PERFORMANCE (%)¹

	YTD	2014	2013	2012	2011	2010
Fund	4.09	10.75	-5.23	15.09	9.91	13.40
Benchmark	4.18	11.47	-5.10	15.79	10.44	13.78

¹Returns are net of fees.

²Since Inception as an Investment Management Arrangement (IMA) on April 26, 2005

³Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

⁴Measure of deviation between the Fund's return and benchmark returns. A lower number means the Fund's return is closely aligned with the benchmark.

*Declaration of Trust is available upon request through branch of account.

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government	66.84
Corporates	30.07
Cash and Other Receivables	3.09
Maturity Profile	
Cash and Less than 1 Year	3.83
Between 1 and 3 Years	9.41
Between 3 and 5 Years	16.93
Between 5 and 7 Years	5.57
Between 7 and 10 Years	20.77
More than 10 Years	43.48

TOP TEN HOLDINGS

Name	% of Fund
Republic of the Phils. Bonds 2/2/2030	9.36
Republic of the Phils. Bonds 10/23/2034	8.67
Republic of the Phils. Bonds 1/14/2031	8.24
Republic of the Phils. Bonds 3/16/2025	6.99
Republic of the Phils. Bonds 1/15/2032	5.07
Republic of the Phils. Bonds 1/20/2040	4.61
Republic of the Phils. Bonds 1/13/2037	4.24
Republic of the Phils. Bonds 6/17/2019	3.31
Republic of the Phils. Bonds 3/30/2026	3.28
Republic of the Phils. Bonds 1/15/2021	3.21

RELATED PARTY TRANSACTIONS*

The Fund has investments and trade transactions with Bank of the Philippine Islands, its subsidiaries and related parties:

Bank of the Philippine Islands, – USD 450,000
 First Gen Corporation – USD 211,762
 International Container Services, Inc. – USD 717,681
 Petro Corporation 0 USD 530,625
 Philippine Long Distance Telephone Company – USD 133,476

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.

OUTLOOK AND STRATEGY

Market Review. The JP Morgan Chase Asia Total Return Philippine Bond Index gained by 0.84% in April. Average prices of Philippines dollar denominated bonds were flat during the month while the ten-year US Treasury inched up by eleven basis points.

In its last policy meeting, the US Federal Reserve reiterated their belief that growth in the US will pick up moving forward and that inflation will reach their 2 percent target over time. Policy makers also repeated that data supporting the US economy will drive their decisions regarding the benchmark rates.

Global growth remains a worry as major emerging markets continue to try to stimulate their economies. The People's Bank of China, reduced the minimum reserve requirements for commercial banks in China during the month of April. The minimum reserve requirement was reduced by 100 basis point to 18.5%. The Russian central bank cut its benchmark rate by 150 basis points to 12.5% in a move to help stimulate the economy while sighting that the threat of inflation had eased. The ruble rose to as high as 49 to the dollar in April from 57 at the beginning of the month and 60 at the start of the year.

Fund Performance. The Fund gained 0.71% for the month compared to its benchmark's 0.84%.

Fund Strategy. The Fund will continue to closely track the JPMorgan Asia Credit Total Return Index.

LIST OF PROSPECTIVE INVESTMENTS

The following are among the Fund's approved investment outlets, wherein the Trustee intends to invest depending on strategy, availability, or other market-driven circumstances:

- (a) Primarily long term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable fixed-income instruments issued by financial institutions or private corporations; exchange-listed securities; marketable instruments that are traded in an organized exchange; loans traded in an organized market; and, such other tradable investment outlets/ categories as the BSP may allow.
- (b) Tradable fixed-income securities issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund
- (c) The principal investments of the Fund will be in fixed-income instruments denominated in, but are not limited to, the following major currencies: U.S. Dollar, Euro, British Pound, Canadian Dollar, Australian Dollar, Swiss Franc, Danish Kroner, and Japanese Yen.
- (d) Bank deposits and such other investments allowed under regulations issued by the BSP.