



BANK OF COMMERCE – TRUST SERVICES GROUP

BANK OF COMMERCE DIVERSITY PESO BOND FUND KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

For the Quarter ended **March 31, 2025**

FUND FACTS			
Classification	Long Term Peso Bond Fund	Net Asset Value per unit (NAVpu)	1.822251
Launch Date	March 10, 2005	Total Fund NAV	PHP 9,918,372.82
Minimum Investment/Maintaining Participation	PhP 10,000.00	Dealing Day	11:30 AM
Minimum Additional	PhP 1,000.00	Redemption Settlement	T + 1
Minimum Holding period	30 days	Early Redemption Fee	5% on redeemed amount

FEES*			
*TRUSTEE FEE: 1.00% per annum	CUSTODIAN FEE: Php25.26	*EXTERNAL AUDITOR FEE: Php5,233.50	OTHER FEES: 0.00%
*based on the Net Asset Value (NAV) accrued daily	*Portion/Percentage of Php15,000 for the quarter Bureau of Treasury	KPMG Audit	N/A
		*based 2023 External Audit Fee	

INVESTMENT OBJECTIVE & STRATEGY

The Fund intends to achieve for its participants total returns consisting of current income and capital growth. The Fund aims to achieve a rate of return higher than the 5-year yield based on the PHP BVAL Rate.

The Fund may avail itself of financial derivatives instruments solely for the purpose of hedging risk exposures of the existing investments of the Fund, provided, these are accounted for in accordance with existing BSP hedging guidelines as well as the Trustee's risk management and hedging policies duly approved by the Trust and Investments Committee and disclosed to participants.

CLIENT SUITABILITY

The Bank of Commerce Diversity Peso Bond Fund is suitable only for investors who:

- Have a **MODERATE** risk profile
- With an investment horizon of more than five (5) years
- Who are Philippine Residents Only

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.

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

Interest Rate Risk. The possibility that an investor may experience losses due to changes in interest rates.

Market / Price Risk. The possibility that an investor may experience losses due to changes in market prices of securities (e.g., bonds and equities).

Liquidity Risk: The possibility that an investor may experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.

Reinvestment Risks. The possibility that an investor may experience losses due to probable lower returns or earnings when maturing funds or the interest earnings of the Fund are reinvested.

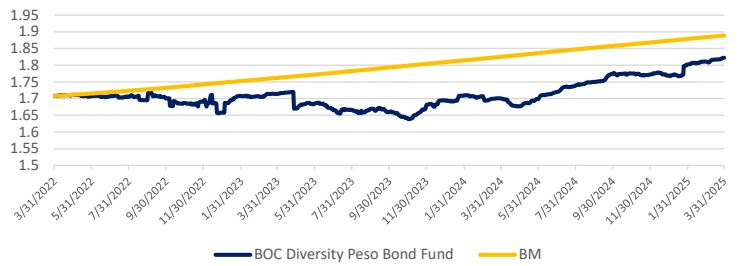
Country Risk. The possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries.

- THE UIT FUND IS NOT A DEPOSIT AND NOT INSURED BY PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/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.

For queries, contact us via email at trustmarketing@bankcom.com.ph
Tel No. 7 214-8800; Fax: 477-5552

FUND PERFORMANCE AND STATISTICS AS OF 03/31/25
(Purely for reference purposes and is not a guarantee of future results)

NAV/pu Graph

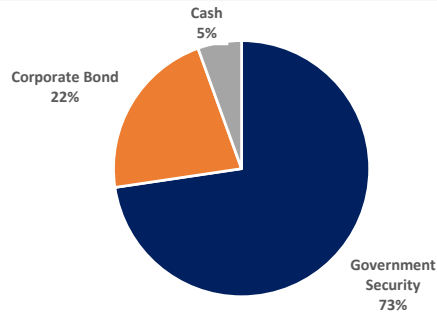


Cumulative Performance (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	0.6304%	3.0273%	2.6667%	7.1431%	6.6793%
Benchmark	0.2694%	0.8584%	1.6807%	3.5074%	10.5825%

Note: Benchmark used is the 3-Year yield based on PHP BVAL Reference Rates to match the current Wtd. Average Portfolio Duration.

Portfolio Composition



NAV/pu over the past 12 months

Highest	1.822251
Lowest	1.676840

Statistics

Wtd. Ave. Duration	3.70
Volatility*	2.00%
Sharpe Ratio**	0.98
Information Ratio***	1.82

*Volatility measures the degree to which the Fund fluctuates vis-a-vis its average return over a period of time.

**Sharpe ratio is used to characterize how well the return of the Fund compensates the investor for the level of risk taken.

***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.

Top Ten Holdings (%)

Holdings	Weight
RPGB 6.25 02/28/29 R518	28.31
RPGB 6.5 05/19/29 7-67	16.57
RPGB 6 04/27/30 7-69	10.21
RPGB 8 07/19/31 2017	7.21
SMCPM 8.489 12/14/32	6.51
RPGB 6.125 08/22/28 R517	5.64
ALIPM 6.1334 11/13/34	4.95
RPGB 6.25 02/14/26 7-62	3.06
CLIPM 6.4222 04/07/26	3.03
FLIPM 6.2916 03/12/30	2.03

Note: Percentage (%) of holdings is based on market values.

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

N/A

OUTLOOK AND STRATEGY

The PH bond yield curve had a steepening move for the first quarter of the year. BSP expressing keenness to cut rates ahead of the Fed, strong demand for bonds on the front of the curve, and easing inflation outlook all contributed to the movement in local yields. Supply risk contributed to the rise in the long ends as the BTr issued the first 25-year bond in the last 10 years. The new 25yr bond fetched a coupon of 6.375%. In summary, for the first quarter of 2025, benchmark yields for bonds in the 1-5yr and 5-10yr tenors sank by an average of 29 bps and 10 bps respectively. On the other hand, benchmark yields of bonds with 10+ year remaining maturity rose by an average of 16 bps.

Forecast/Outlook: Looking ahead, bond markets are expected to trade lower as the current economic conditions of the PH remain favorable. This may then incentivize the BSP to continue with its rate cutting cycle. In addition to the resilient economy, the slowdown of the headline and core prices may also boost sentiment of further policy easing.

Fund Strategy and Considerations

With slowing inflation and peaking interest rates, the fund is strategically positioning itself by gradually adding duration by investing in the long ends, specifically in the 10+ year space. Additional contributions will be used for rebalancing to optimize returns.