

**BANK OF COMMERCE – TRUST SERVICES GROUP****BANK OF COMMERCE DIVERSITY MONEY MARKET FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT***For the Quarter ended June 30, 2025***FUND FACTS**

<b>Classification</b>	<b>Money Market Fund</b>	<b>Net Asset Value per unit (NAVpu)</b>	<b>1.287767</b>
<b>Launch Date</b>	August 16, 2013	<b>Total Fund NAV</b>	<b>PHP 429,037,288.56</b>
<b>Minimum Initial Investment</b>	Php 10,000.00	<b>Dealing Day</b>	11:30 AM
<b>Minimum Additional</b>	Php 1,000.00	<b>Redemption Settlement</b>	T + 1
<b>Minimum Holding period</b>	7 days	<b>Early Redemption Fee</b>	5% on redeemed amount

**FEES\***

<b>TRUSTEE FEE: 0.25% p.a. based on the Net Asset value (NAV) accrued daily</b>	<b>CUSTODIAN FEE: PHP1,224.16</b>	<b>*EXTERNAL AUDITOR FEE: PHP60,500.00</b>	<b>OTHER FEES: N/A</b>
	<b>*Portion/Percentage of Php15,000 for the quarter</b>	<b>Punongbayan and Araullo</b>	<b>N/A</b>
	<b>Bureau of Treasury</b>	<b>*based 2023 External Audit Fee</b>	

**INVESTMENT OBJECTIVE & STRATEGY**

The Fund's primary goal is to prevent the loss of principal and generate income by investing in fixed-income securities and deposits with maximum terms to maturity of up to three (3) years and has a weighted average portfolio life of one (1) year or less. The Fund is suitable for individual and institutional investors with a "Conservative" risk profile who prefers a low level of risk, favor fixed return and have an investment horizon of less than one (1) year. The Fund aims to achieve a rate of return higher than the three-month yield based on the PHP BVAL at the start of the quarter.

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 Money Market Fund is suitable only for investors who:

- Have a **CONSERVATIVE** risk profile
- With an investment horizon of less than one (1) year
- 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.

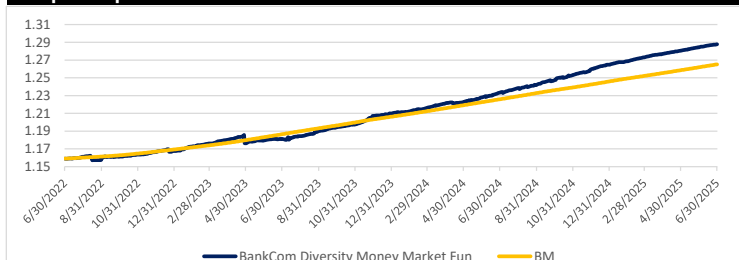
**Country Risk.** The possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries.

- **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](mailto:trustmarketing@bankcom.com.ph)  
Tel No. 7 214-8800; Fax: 477-5552

**FUND PERFORMANCE AND STATISTICS AS OF 06/30/25**  
(Purely for reference purposes and is not a guarantee of future results)

**NAVpu Graph**

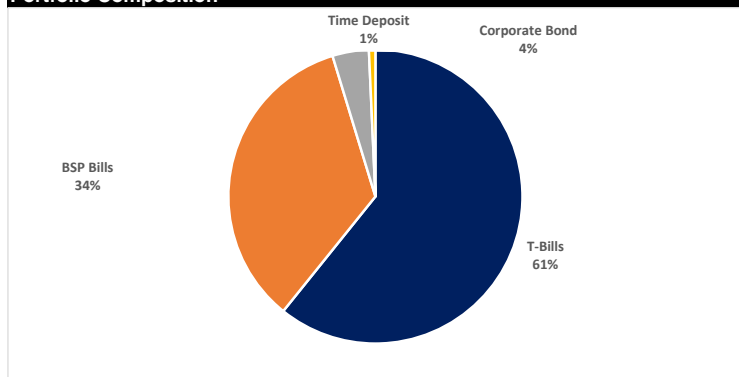


**Cumulative Performance (%)**

Period	1mo	3mos	6mos	1yr	3yrs
Fund	0.2692%	0.8389%	1.8151%	4.4431%	11.1030%
Benchmark	0.2515%	0.7793%	1.5381%	3.2083%	9.1452%

*Note: Benchmark is the 3-month yield based on PHP BVAL Reference Rates.*

**Portfolio Composition**



**NAVpu over the past 12 months**

Highest	1.287767
Lowest	1.232832

**Statistics**

Wtd. Ave. Duration	0.29
Volatility*	0.46%
Sharpe Ratio**	0.48
Information Ratio***	2.69

\*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
BSPBIL 0 07/01/25 28	19.26
RPTB 0 11/19/25 364	12.56
RPTB 0 10/15/25 364	11.99
BSPBIL 0 07/22/25 28	11.57
RPTB 0 11/05/25 364	10.97
RPTB 0 11/26/25 364	9.68
RPTB 0 10/29/25 364	4.20
BPIPM 5.85 12/10/26	3.98
RPTB 0 12/03/25 364	3.52
RPTB 0 11/12/25 364	3.50

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

**OTHER DISCLOSURES**

**RELATED PARTY TRANSACTIONS**

N/A

**OUTLOOK AND STRATEGY**

Local bonds were hampered by volatility for the month of June. Uncertainties brought by the ongoing global tariff war and the ongoing conflict in the Middle East. At the start of the month, yields were just trading sideways as investors opted to remain on the sidelines ahead of the release of key data. Selling pressure further weighed on local bonds after Trump's remarks on the difficulty of reaching a trade deal with China. Market participants were then starting to be frustrated because of markets' failure to rally despite the benign inflation print and the BSP's decision to cut the key rate by 25 bps. Local bonds only saw reprieve in the latter part of the month when news broke out on the ceasefire between US and China. Auction demand for the T-bills this month remained benign. Yields in the 1mo.-1yr space increased by an average of 2 bps.

On the monetary policy front, the BSP has decided to move ahead of the Fed and reduced the key rate by 25 bps to 5.25%. In their press release, the Monetary Board (MB) took this action as outlook for inflation has moderated. The MB has also revised their inflation outlook for 2025 from 2.4% to 1.6%. Meanwhile, forecasts for 2026 rose marginally from 3.3% to 3.4% and for 2027 from 3.2% to 3.3%. The MB also noticed indications of deceleration of the growth in the global economy driven by uncertainty over US trade policy and the conflict in the Middle East. MB believes that this may lead to a slower growth in the Philippines.

The Fund has outperformed its benchmark by 0.018% on a month-on-month basis and 0.06% on a quarter-to-date basis. This stems from the shift in holdings to longer-tenored T-bills as we are already seeing some value in the 6-9 month tenors.

For our outlook, we believe that the key themes for 3Q2025 will still be lower inflation and dovish BSP, all of which will be positive catalysts for local bonds. Possible source of risk will be the rising geopolitical tensions as further escalation may cause inflationary pressures. For our strategy, we are still starting to increase allocation in T-bills as current tenors in the beyond 6 months are currently offering attractive yields in comparison to BSP Bills. We continue to be highly agile in our fund management and will adjust our portfolio holdings depending on the current dynamic market environment.