

**BPI INVEST GLOBAL EQUITY FUND-OF-FUNDS****KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of August 31, 2021

**FUND FACTS**

<b>Classification:</b>	Global Equity Fund-of-Funds	<b>NAVPU:</b>	USD 547.70
<b>Launch Date:</b>	January 8, 2014 <sup>1</sup>	<b>Total Fund NAV (Mn):</b>	USD 220.10
<b>Minimum Investment:</b>	USD 500.00	<b>Dealing Day:</b>	Daily up to 2:30 PM
<b>Additional Investment:</b>	USD 200.00	<b>Redemption Settlement:</b>	T+5 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES**

<b>Trustee Fees:</b> 1.50%	<b>Custodianship Fees:</b> 0.0001%	<b>External Auditor Fees:</b> 0.0053%	<b>Other Fees:</b> 0.00%
BPI Asset Management	Various	Isla Lipana	None
As a percentage of average daily NAV for the quarter valued at USD 209.73 Million	Monthly rate: billings received for April 2021 divided by the average daily NAV for the month	Billings for 2018 divided by the average daily NAV	

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a Fund-of-Funds, intends to achieve for its Participants long-term capital growth by investing in a diversified portfolio of global equity collective investment schemes. The Fund aims to provide excess return over the Morgan Stanley Capital International (MSCI) World Index (USD). Pursuant to existing BSP rules and regulations, as a Fund-of-Funds, this Fund is mandated to invest at least 90% of its assets in more than one collective investment scheme.

**CLIENT SUITABILITY**

A client profiling process shall 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 BPI Invest Global Equity Fund-of-Funds is for investors who:

- Are at least classified as aggressive based on their risk profile.
- Have an investment horizon of more than five (5) years.

Participation in the Fund shall be open to Participants with legal capacity to contract and who are not considered US persons under the US securities and tax laws, subject to the other conditions, rules or provisions stated in the Plan Rules and those established by the Trustee. No beneficial owner shall hold more than 10% of the Fund. Any investor who owns more than 10% shall be asked to redeem the amount (or its equivalent number of units) in excess of 10% within thirty (30) calendar days.

**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.

**Market/Price Risk:** Investors are exposed to adverse changes in the prices of global equity collective schemes (target funds) due to adverse market conditions, unfavorable company earnings and valuations, and negative developments in the political and economic conditions of the focus countries of the target funds.

**Liquidity Risk:** Investors are exposed to the risk of loss due to the inability of the target funds to convert security holdings to cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price due to limited participants in the market, low trading volumes, market disruptions, among others.

**Country Risk:** Investors are exposed to the risk of loss arising from negative developments in the political, economic and social conditions of the focus countries of the underlying securities of the target funds, which may adversely affect the value of the Fund.

**FX Risk:** Investors are exposed to the risk of loss from a decline in the market value of the target fund when the underlying securities of the target funds are translated to USD.

The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

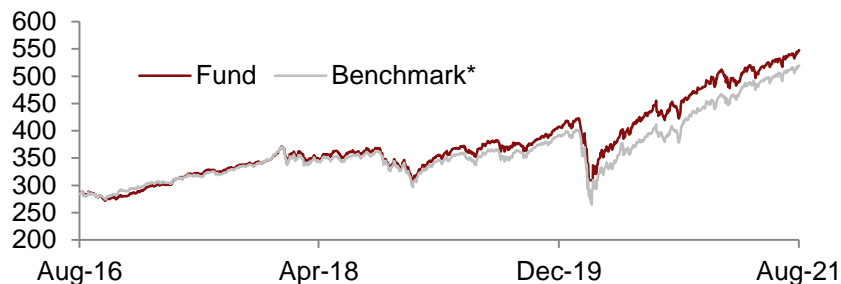
- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/ FLUCTUATIONS ONLY.**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES SHALL 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 more information, you may contact us at (632) 8580-AMTC (2682), email us at [bpi\\_asset\\_management@bpi.com.ph](mailto:bpi_asset_management@bpi.com.ph) or visit our website, [www.bpiassetmanagement.com](http://www.bpiassetmanagement.com).

## FUND PERFORMANCE AND STATISTICS AS OF AUGUST 31, 2021

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

### NAVPU GRAPH



### CUMULATIVE PERFORMANCE (%)<sup>2</sup>

	1 mo	3 mos	6 mos	1YR	3YRS	S.I. <sup>3</sup>
Fund	2.53	5.79	12.12	22.45	49.45	110.54
Benchmark	2.35	5.57	15.20	27.86	44.40	90.37

### ANNUALIZED PERFORMANCE (%)<sup>2</sup>

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. <sup>3</sup>
Fund	22.45	21.29	14.32	13.65	14.04	10.22
Benchmark	27.86	21.14	13.02	12.51	12.80	8.78

### CALENDAR YEAR PERFORMANCE (%)<sup>2</sup>

	YTD	2020	2019	2018	2017	2016
Fund	14.05	18.15	28.15	-8.65	23.87	-0.85
Benchmark	17.12	13.42	26.41	-11.06	19.99	4.00

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equity funds	97.58
Cash	1.57
Time deposits and money market	0.82
Other receivables - net of liabilities <sup>8</sup>	0.04
<b>Allocation by Geography</b>	
North America	61.35
Japan	1.72
Asia Pacific/Other EM	10.21
Europe	21.69
Cash and equivalents <sup>7</sup>	5.03

### NAVPU over the past 12 months

<b>Highest</b>	547.70
<b>Lowest</b>	419.67

### STATISTICS

Volatility, Past 1 Year (%) <sup>4</sup>	12.27
Sharpe Ratio <sup>5</sup>	1.83
Information Ratio <sup>6</sup>	-1.21
Current Number of Holdings	11

<sup>1</sup>Inception date is January 8, 2014, its conversion date to a fund-of-funds. It was originally launched as BPI Global Equity Fund on August 30, 1994.

<sup>2</sup>Returns are net of fees.

<sup>3</sup>Since Inception.

<sup>4</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>5</sup>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>6</sup>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>7</sup>Includes the cash held by the underlying funds

<sup>8</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

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

### TOP HOLDINGS

	% of Holdings
Wellington Global Quality Growth Fund	41.08
Capital Group New Perspective Fund	13.64
SPDR S&P 500 ETF	11.06
Wellington Global Innovation Fund	10.31
Wellington Strategic European Fund	8.91

### RELATED PARTY TRANSACTIONS\*

The Fund has no transactions and outstanding investments with entities related to BPI Asset Management and Trust Corporation (BPI AMTC).

\* Related party in accordance with BPI AMTC's internal policy.

### OTHER FUND FACTS

**Fund Currency:** US Dollar

**Benchmark\*:** Morgan Stanley Capital International (MSCI) World USD Index

### FOREIGN FUND MANAGERS OF TARGET FUNDS

[State Street Global Advisors](#)

[Wellington Management](#)

[UBS Asset Management](#)

[Capital Group](#)

[Principal Global Investors](#)

## OUTLOOK AND STRATEGY

**Market Review.** Global equity markets rose to new highs in August driven by improving vaccination rates and dovish comments from Federal Reserve Chair Jerome Powell during the Jackson Hole symposium. However, the rising case numbers from the Delta coronavirus variant and the expansion of the Chinese regulatory crackdown continued to weigh on markets.

The Federal Reserve kept rates unchanged and announced that the pace of asset purchases could taper starting this year, although clearly stating that it is not intended to carry a direct signal regarding the timing of the interest rate hikes. Powell further emphasized that the federal funds rate will be held at the current level until the economy reaches conditions consistent with the central bank's maximum-employment and price-stability goals. In terms of fiscal policy, the US Senate approved the USD 1 trillion bipartisan infrastructure bill, including the USD 550 billion in new federal spending on infrastructures such as roads, bridges, rail, transit, and the electric grid.

Economic data was mixed but reflected a slowdown in growth and activity across regions. The US economy expanded at a slower pace as its composite PMI fell to 55.4 from last month's 59.9 due to supply shortages in raw materials and labor. Expansion in the Eurozone's business activity also decreased its pace, albeit less significant, but continued to look strong as its composite PMI declined from 60.2 to 59.0 month-on-month. Meanwhile, China's PMI, both composite and non-manufacturing, reflected a contraction in its economy as the spike in coronavirus cases from the Delta variant and the expanded regulatory crackdown affected business activity and consumer confidence.

**Fund Performance.** The fund returned 2.53%, outperforming the benchmark by 18 basis points. Stock selection helped performance.

**Fund Strategy.** The fund has shifted to a more balanced allocation combining high growth stocks with some cyclical exposure. However, we remain underweight in Energy, Materials and traditional Financials as we foresee better longer term prospects elsewhere. Despite the recent sell-off in Chinese equities driven by domestic regulatory uncertainty, we remain optimistic in broader EM stocks due to the vaccine-led economic recovery expected in the near term.

## 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 in more than one collective investment schemes, that are approved or registered and supervised by regulatory authorities that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s the investment objectives and policies of which are generally consistent with those of the Fund; provided further that such combined investment in collective investment schemes should not fall below ninety percent (90%) of the net asset value of the Fund. Such collective investment schemes must not have any investment exposure in other collective investment schemes.
- (b) Shares of Stock of selected corporations which are already listed or being offered publicly and soon to be listed in major capital markets.
- (c) Primarily short-term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable securities issued by the government of a foreign country, any political subdivision/agency of a foreign country or any supranational entity; tradable fixed-income instruments issued by foreign or local 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 investments outlets/ categories as the BSP may allow. Provided, that, a financial instrument is regarded as tradable if two-way prices are quoted, readily available or regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- (d) Short-term tradable fixed-income instruments 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; and, any such other instruments as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Subsection UX 410.12 (a) of the Manual of Regulations for Banks and Other Financial Institutions.
- (e) The principal investments of the Fund will be in equity 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.
- (f) Bank deposits, BSP special deposit account or tradable debt instruments issued by the BSP.
- (g) Such other investments allowed under regulations issued by the BSP.

BPI Asset Management and Trust Corporation (BPI AMTC) is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send an email to [bpi\\_asset\\_management@bpi.com.ph](mailto:bpi_asset_management@bpi.com.ph) or call us at (02) 8580-AMTC (2682).

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## INVESTMENT OBJECTIVES OF TARGET FUNDS

Name	Domicile	Regulator	Objective
Wellington Global Quality Growth Fund	Luxembourg	CSSF	Aims to achieve longer-term total returns
Capital Group New Perspective Fund	Luxembourg	CSSF	Aims to provide long-term growth of capital and future income. The fund invests in common stocks that have the potential for growth and the potential to pay dividends in the future.
SPDR S&P 500 ETF	United States	SEC	Tracks the performance of the S&P 500 Index composed of 500 predominantly large-capitalization US stocks
Wellington Global Innovation Fund	Luxembourg	CSSF	Seeks long term capital appreciation. The fund invests primarily in equity securities issued by companies worldwide, including emerging markets, which the investment manager believes to be drivers of or beneficiaries of innovation.
Wellington Strategic European Equity Fund	Ireland	Central Bank of Ireland	Seeks long-term total return from both capital gain and yield by investing predominantly in a diversified portfolio of European-domiciled companies
Wellington Global Health Care Equity Fund	Ireland	Central Bank of Ireland	Aims to achieve longer-term returns by investing primarily in the equity securities of health care companies worldwide
Wellington Global Impact Fund	Ireland	Central Bank of Ireland	Seeks long term total returns. The fund invests primarily in global equities, focusing on companies whose core business, in the opinion of the Investment Manager, aims to generate social and/or environmental change alongside a financial return.
Principal Global Investors - Global Property Securities Fund	Ireland	Central Bank of Ireland	Aims to provide total returns. The fund invests primarily in a global portfolio of publicly traded securities of companies engaged in the property industry whose value is largely derived from property assets.
UBS China Opportunity Fund	Luxembourg	CSSF	Seeks to take advantage of interesting return opportunities while keeping the level of risk under control. The actively managed equity fund primarily invests in equities of Chinese companies across the full capitalization range.
UBS Global Emerging Market Opportunity Fund.	Luxembourg	CSSF	Seeks capital appreciation on a risk adjusted basis over the medium to long-term. The Fund invests in equity and equity-related securities and other investments as set out below in global emerging countries, listed or traded in regulated markets or exchanges.

## SPECIFIC RISKS IN INVESTING IN A FUND-OF-FUNDS

- The performance of the underlying Target Fund/s on an individual or collective basis impacts the performance of the BPI Invest Global Equity Fund-of-Funds.
- The BPI Invest Global Equity Fund-of-Funds incurs trust fee payable to the Trustee. Additionally, the Target Fund/s charge their own management fee/s. Such fees are already included in the computation of the Net Asset Value per Unit, which is the price at which investors subscribe and redeem units of the Fund.