

**BPI INVEST WORLD TECHNOLOGY FEEDER FUND**

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of May 31, 2021

**FUND FACTS**

<b>Classification:</b>	Global Equity Feeder Fund	<b>NAVPU:</b>	USD 95.29
<b>Launch Date:</b>	February 1, 2021	<b>Total Fund NAV (Mn):</b>	USD 7.92
<b>Minimum Investment:</b>	USD 1,000.00	<b>Dealing Day:</b>	Daily up to 2:30 PM
<b>Additional Investment:</b>	USD 500.00	<b>Redemption Settlement:</b>	T+5 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEEES**

<b>Trustee Fees:</b> 1.00%	<b>Custodianship Fee:</b> 0.00%	<b>External Audit Fee:</b> 0.00%	<b>Other Fees:</b> 0.00%
BPI Asset Management As a percentage of average daily NAV for the quarter valued at USD5.44 Million	None	Isla Lipana To be determined upon receipt of billing	None

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a Feeder Fund, intends to achieve for its Participants long term capital growth by investing in a Target Fund that invests in stocks in the technology sector. It aims to provide excess return over the MSCI AC World Information Technology Index. Pursuant to existing BSP rules and regulations, as a Feeder Fund, this Fund is mandated to invest at least 90% of its assets in a single 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 World Technology Feeder Fund is for investors who:

- Are at least classified as aggressive based on their risk profile.
- Have an investment horizon of at least 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.

<b>Market/Price Risk:</b>	Investors are exposed to adverse changes in the prices of global equities in the technology sector 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 securities of the target fund.
<b>Liquidity Risk:</b>	Investors are exposed to the risk of loss due to the target fund's inability 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.
<b>Country Risk:</b>	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 fund, which may adversely affect the value of the feeder fund.
<b>FX Risk:</b>	Investors are exposed to the risk of loss from a decline in the market value of the target fund when the market value of foreign currency denominated securities held by the target fund are translated to USD.

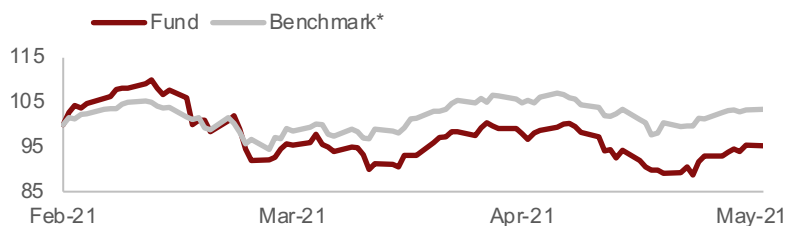
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- **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.**

# FUND PERFORMANCE AND STATISTICS AS OF MAY 31, 2021

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

## NAVPU GRAPH



\*MSCI AC World Information Technology Index

## CUMULATIVE PERFORMANCE (%) <sup>1</sup>

	1 mo	3mos	6mos	1YR	3YRS	S.I. <sup>2</sup>
Fund	-3.05	-3.13	-	-	-	-4.71
Benchmark	-0.93	4.65	-	-	-	3.45

## ANNUALIZED PERFORMANCE (%) <sup>1</sup>

	1YR	2YRS	3YRS	4YRS	5YR	S.I. <sup>2</sup>
Fund	-	-	-	-	-	-
Benchmark	-	-	-	-	-	-

## CALENDAR YEAR PERFORMANCE (%) <sup>1</sup>

	YTD
Fund	-4.71
Benchmark	3.45

## PORTFOLIO COMPOSITION

Allocation	% of Fund
Target Fund	98.04
Cash and Equivalents	5.15
Others – net of liabilities	-3.18
Regional Breakdown	% of Target Fund
United States	71.33
South Korea	4.46
China	3.84
Others	20.37
Sector Breakdown	% of Target Fund
Software & Services	38.16
Semiconductor	20.31
Media & Entertainment	16.46
Retailing	8.91
Others	16.16

## 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

<b>Fund Currency:</b>	US Dollar	<b>Fund structure:</b>	UCITS (LUX)
<b>Benchmark*:</b>	MSCI AC World Information Technology Index	<b>Inception Date:</b>	December 30, 2011
<b>Name of Target Fund:</b>	BlackRock World Technology Fund	<b>Custodian:</b>	The Bank of New York Mellon SA
<b>Regulator:</b>	Commission de Surveillance du Secteur Financier (CSSF)	<b>Total Expense Ratio:</b>	1.07%
<b>Fund Manager:</b>	BlackRock Inc.		

## NAVPU over the past 12 months

<b>Highest</b>	110.04
<b>Lowest</b>	88.73

## STATISTICS

Volatility, since inception (%) <sup>3</sup>	27.68
Sharpe Ratio <sup>4</sup>	-0.17
Information Ratio <sup>5</sup>	-0.34

<sup>1</sup> Returns are net of fees.

<sup>2</sup> Since Inception

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

<sup>4</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>5</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.

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

## TOP TEN HOLDINGS

Name	% of Target Fund
Apple Inc.	3.84
Microsoft Corp.	3.79
Alphabet Inc. A.	2.53
Kakao Corp.	2.30
Lam Research Corp.	2.25
ASML Holdings NV	2.23
Amazon.com Inc.	2.11
Marvell Technology Inc.	1.99
Tesla Inc.	1.99
Paypal Holdings Inc.	1.87

The Fund Performance Report and relevant information about the BlackRock World Technology Fund can be viewed and downloaded through <https://www.blackrock.com/sg/en>.

## OUTLOOK AND STRATEGY

**Market Review.** Global equities posted modest gains in May due to positive economic data, rising vaccination rates and continued policy support. Gains were capped however as inflation fears and the resurgence of the coronavirus weighed on investor sentiment. Eurozone equities outperformed the broad global equity index as the accelerating pace of vaccinations provided support for the reopening of the economy. Emerging markets also rose for the month on the back of a weaker dollar while gains from US equities were tempered by high inflation numbers. The Federal Reserve kept rates unchanged and maintained its accommodative stance but hinted that it may begin to discuss a plan in scaling back some policies if economic recovery continues to progress toward the committee's goals. In terms of fiscal policy, President Biden unveiled his fiscal budget proposal which included increasing the federal spending to USD 6 trillion in the next fiscal year, rising to USD 8.2 trillion by 2031. Economic data reflected positive signs of recovery. The US economy expanded at a faster pace as the composite PMI increased to 68.7 from last month's 63.5, driven by the strength in the services sector. Eurozone's business activity grew at its fastest pace in 3 years as the services and manufacturing sector rebounded from the levels during the lockdown. China's PMI reflected a steady recovery with its composite PMI increasing from 53.8 to 54.2 month-on-month driven by new and export orders. In commodity markets, increased consumer demand from reopening economies ramped up prices for raw materials. Commodity prices surged in May including raw metals, agricultural commodities and crude oil.

**Fund Performance.** The fund returned -3.05% in May, lagging the benchmark by 212 basis points.

**Fund Strategy.** The fund will continue to focus on long-term secular themes, many of which are experiencing increased demand as global enterprises push for modernization and digitalization, while also taking advantage of attractive valuations of cyclical names which are expected to benefit as the market recovers. The fund will maintain its exposure to trends whose pace of adoption have accelerated due to social distance and migration to remote work, such as cloud computing, e-commerce and gaming.

## 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 a single collective investment scheme whose investment objective is to provide investment results in excess of the return of the MSCI AC World Information Technology Index; provided further that such CIS is approved or registered and supervised by a regulatory authority that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s; provided further that the investment in the said collective investment scheme should at least be ninety percent (90%) of the total assets of the Fund. The Target Fund must be recognized as a collective investment scheme in its home jurisdiction by a regulatory authority or any regulatory authority acceptable to the BSP to supervise this CIS.
- (b) 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.
- (c) 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 Section 414-Q of the Manual of Regulations for Non-Bank Financial Institutions.
- (d) The principal investments of the Fund will be denominated in, but not limited to the U.S. Dollar. The target fund invests in securities denominated in other currencies.
- (e) Bank deposits or tradable debt instruments issued by the BSP.
- (f) Such other investments allowed under regulations issued by the BSP.

## INVESTMENT OBJECTIVE OF TARGET FUND

The BlackRock World Technology Fund seeks to maximize total return. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is in the technology sector.

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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