

**BPI ASSET MANAGEMENT AND TRUST CORPORATION  
ODYSSEY ASIA PACIFIC HIGH DIVIDEND EQUITY FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
As of December 28, 2018**

**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU):</b>	USD 10.50
<b>Launch Date:</b>	May 20, 2008	<b>Total Fund NAV (Mn):</b>	USD 13.87
<b>Minimum Investment:</b>	USD 5,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	USD 1,000.00	<b>Redemption Settlement:</b>	T+6 1:00 PM
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES**

<b>Trustee Fees:</b> 1.75%	<b>Custodianship Fees:</b> 0.6834%	<b>External Auditor Fees:</b> 0.0315%	<b>Other Fees:</b> 0.00%
BPI Asset Management (Sub-Manager: JP Morgan Asset Management)	HSBC	Isla Lipana	None
As a percentage of average daily NAV for the quarter valued at USD14.07Million	Billings in 2017 divided by the average daily NAV	Billings in 2017 divided by the average daily NAV	

**INVESTMENT OBJECTIVE AND STRATEGY**

The objective of this Fund is to pursue long term capital appreciation by investing in a diversified portfolio of attractively priced stocks with high dividend yields in the Asia Pacific region. The Fund aims to outperform its benchmark, the MSCI AC Asia Pacific ex-Japan Total Return Index.

**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 Odyssey Asia Pacific High Dividend Equity Fund is suitable only for investors who:

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

**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 high dividend yield stocks in the Asia Pacific Region, which may be brought about by adverse stock market conditions, unfavorable company earnings and valuations and negative developments in the political and economic conditions of countries in the Asia Pacific Region.

**Liquidity Risk:** Investors are exposed to the risk of loss due to the fund's inability to convert equity 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 or 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 countries in the Asia Pacific region, which may adversely affect the prices of its stocks.

**FX Risk:** Investors are exposed to the risk of loss from a decline in fund value when the market value of the foreign currency denominated equity securities held by the fund are translated to USD.

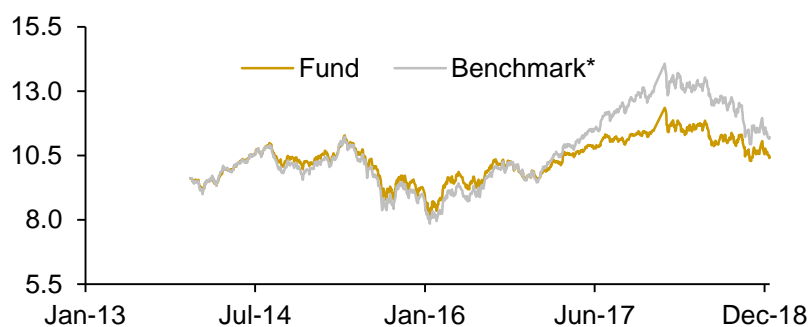
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular basis. 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 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 DECEMBER 28, 2018

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

### NAVPU GRAPH



Benchmark\* : MSCI AC Asia Pacific ex-Japan Total Return Index

### NAVPU over the past 12 months

Highest	12.35
Lowest	10.29

### STATISTICS

Portfolio Beta	0.95
Volatility, Past 1 Year (%) <sup>2</sup>	13.50
Sharpe Ratio <sup>3</sup>	-0.81
Information Ratio <sup>4</sup>	1.02
Current Number of Holdings	63

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

	1 mo	3 mos	6 mos	1YR	3YRS	S.I
Fund	-3.49	-7.16	-4.81	-9.01	13.27	5.00
Benchmark	-3.37	-9.20	-10.51	-14.23	25.34	29.64

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

	1YR	2YRS	3YRS	4YRS	5YRS	S.I
Fund	-9.01	4.64	4.24	0.51	1.79	0.46
Benchmark	-14.23	8.65	7.82	3.21	3.31	2.48

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

	YTD	2017	2016	2015	2014	2013
Fund	-9.01	20.33	3.45	-9.91	7.08	-5.41
Benchmark	-14.23	37.63	6.18	-9.47	3.71	2.65

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

<sup>2</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>3</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>4</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>5</sup>Since inception.

<sup>6</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

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

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	97.09
Cash	3.29
Time deposits and money market	-
Other receivables - net of liabilities	-0.38
<b>Top Five Sector Holdings</b>	<b>% of Equities</b>
Financials	43.05
Real Estate	18.70
Information Technology	13.89
Industrials	11.02
Utilities	5.06
<b>Top Five Country Weightings</b>	<b>% of Equities</b>
China	22.33
Australia	16.35
Singapore	14.91
Hong Kong	12.89
Korea	11.08

### TOP TEN HOLDINGS

Name	% of Equities
Taiwan Semiconductor Manufacturing	4.95
DBS Group Holdings	4.38
Samsung Electronics	4.09
Transurban Group	3.42
Bangkok Bank	3.29
China Life Insurance	3.16
United Overseas Bank	3.08
Australia and New Zealand Banking Group	2.96
BOC Hong Kong	2.92
Shinhan Financial Group	2.85

### 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.

## OUTLOOK AND STRATEGY

**Market Review.** Asian equities declined in December, but at a much more benign magnitude compared to the US as the US dollar retreated. Over the month, the initial China-US trade truce optimism post Trump-Xi meeting faded after Huawei's CFO being arrested in Canada. Meanwhile, the US Fed hiked rates for the fourth time this year as expected, but yield curve inversion continued amid worsening end of cycle fears. Against this backdrop, the best performers are in South East Asia, including Malaysia, Philippines, Indonesia and India, as they generally benefit from a lower rates environment and lower oil price (except for Malaysia). China performed the worst on weak economic data as well as lack of detailed supportive policies from the Chinese government. Overall, high dividend index performed better than growth index this month.

**Fund Performance.** The fund performed largely in line with the benchmark.

On the positive side, stock selection in China and Singapore contributed. In China, not owning internet/ eCommerce names helped as they remained under pressure. Overall, contributors this month centred on defensive holdings spanning across REITs, utilities in Korea/ China and toll roads in China/ Australia. On the negative side, stock selection in Australia and Hong Kong hurt. In Australia, financial names did poorly on weaker than expected GDP. The ongoing decline in house prices also weighed on the banking sector while the hail storm hurt the insurance sector. Overall, cyclical exposures underperformed, notably energy-related counters in China/ Thailand as the oil price fell.

**Fund Strategy.** Our core strategy remains unchanged with a preference for both low beta and value. Low beta stocks have higher earnings and dividend visibility offering better downside protection while value stocks have priced in more uncertainties offering more re-rating potential. The combination of these two factors should allow us to outperform during initial upturn of cycle as well as late to down cycle.

## 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) Bank Deposits;
- b) Primarily short-term securities issued by or guaranteed by the Philippine government, or by the BSP;
- c) Primarily short-term tradable securities issued or guaranteed by multilateral institutions such as the Asian Development Bank (ADB), International Monetary Fund (IMF) and World Bank;
- d) Primarily short-term tradable securities issued by the government of a foreign country, any political subdivision of a foreign country or any supranational entity;
- e) Primarily short-term exchange-listed securities and warrants of such securities;
- f) Primarily short-term marketable instruments that are traded in an organized exchange;
- g) Primarily short-term loans traded in an organized market;
- h) Such other tradable investments outlets/categories as may be approved by the relevant authority and allowed by the BSP; and
- i) Allowable investments denominated in any acceptable foreign currency.

BPI Asset Management and Trust Corporation (BPI AMTC) is a subsidiary of the Bank of the Philippine Islands. For any inquiries and complaints relating to our services and products you may call our hotline: 89-100, or send an email at [bpi\\_asset\\_management@bpi.com.ph](mailto:bpi_asset_management@bpi.com.ph) or write a letter addressed to BPI Asset Management – Consumer Protection, 17F, BPI Building, Ayala Ave. cor. Paseo De Roxas, Makati City, 1226. BPI AMTC as Trustee / Investment Manager is regulated by the Bangko Sentral ng Pilipinas (BSP) with telephone number (632) 708-7087 and email address: [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph). To know your rights under BSP Circular No. 857 (Regulations on Financial Consumer Protection), please access a copy at our website: [www.bpiassetmanagement.com](http://www.bpiassetmanagement.com).