

**BPI ASSET MANAGEMENT AND TRUST CORPORATION
ODYSSEY ASIA PACIFIC HIGH DIVIDEND EQUITY FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
As of July 31, 2018**

FUND FACTS

Classification:	Equity Fund	Net Asset Value per Unit (NAVPU):	USD 11.28
Launch Date:	May 20, 2008	Total Fund NAV (Mn):	USD 15.23
Minimum Investment:	USD 5,000.00	Dealing Day:	Daily up to 2:00 PM
Additional Investment:	USD 1,000.00	Redemption Settlement:	T+6 1:00 PM
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES

Trustee Fees: 1.75%	Custodianship Fees: 0.6834%	External Auditor Fees: 0.0315%	Other Fees: 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 USD15.41Million	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.

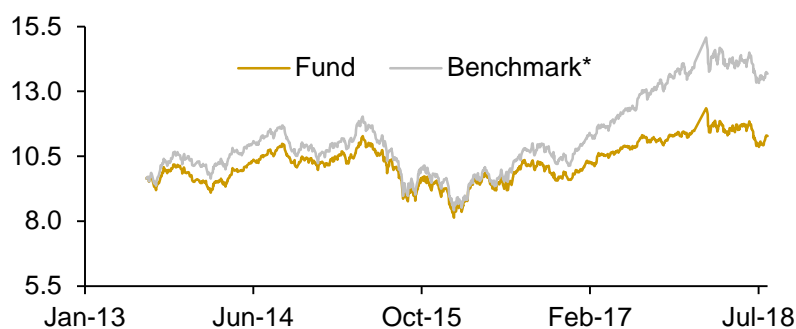
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular 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 JULY 31, 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	10.86

STATISTICS

Portfolio Beta	0.92
Volatility, Past 1 Year (%) ²	10.66
Sharpe Ratio ³	-0.11
Information Ratio ⁴	-0.93
Current Number of Holdings	66

CUMULATIVE PERFORMANCE (%) ¹

	1 mo	3 mos	6 mos	1YR	3YRS	S.I
Fund	2.27	-3.75	-8.66	0.36	11.90	12.80
Benchmark	1.08	-3.52	-9.22	5.31	30.76	46.42

ANNUALIZED PERFORMANCE (%) ¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I
Fund	0.36	6.31	3.82	1.28	3.19	1.19
Benchmark	5.31	14.49	9.35	4.46	7.26	3.81

CALENDAR YEAR PERFORMANCE (%) ¹

	YTD	2017	2016	2015	2014	2013
Fund	-2.25	20.33	3.45	-9.91	7.08	-5.41
Benchmark	-3.13	37.63	6.18	-9.47	3.71	2.65

¹Returns are net of fees.

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

³Used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

⁴Measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

⁵Since inception.

⁶Includes 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	96.98
Cash	2.99
Time deposits and money market	-
Other receivables - net of liabilities	0.03
Top Five Sector Holdings	% of Equities
Financials	39.24
Real Estate	15.16
Information Technology	12.95
Industrials	12.43
Utilities	7.86
Top Five Country Weightings	% of Equities
China	28.08
Hong Kong	14.18
Australia	13.95
Korea	13.40
Singapore	11.53

TOP TEN HOLDINGS

Name	% of Equities
Taiwan Semiconductor Manufacturing	4.73
Korea Electric Power	4.41
China Life Insurance	3.85
HSBC Holdings	3.31
Samsung Electronics	3.29
BOC Hong Kong	3.20
United Overseas Bank	3.18
PetroChina	3.02
Bangkok Bank	2.99
DBS Group Holdings	2.89

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 rose in July. Strong performance in the ASEAN, Indian and Taiwanese markets was offset by a pullback in Korean and Chinese markets. Improving sentiment on US fundamentals, a benign EU-US trade deal and strong corporate earnings was weighted down by escalation in trade tensions between US and China, slower growth in China and significant yuan depreciation under the weight of escalating trade tensions, financial deleveraging and slower growth.

Thailand saw a strong month, led by Thai banks generally beating market consensus and electronics on the back of THB depreciation, while Philippines rose with a proactive monetary policy stance in the face of rising price pressures. India rallied as the macro backdrop turned favorable with the drop in crude oil prices, underpinning stabilization of INR post the sharp sell-off in June. Taiwan rose driven by large cap technology stocks on semiconductors strength.

China declined as the Trump announcement of tariffs on an additional \$200bn worth of Chinese imports negatively impacted the sentiment. 2Q18 GDP growth data came in line, although June macro data remained soft. Korea drifted lower amidst continuing trade uncertainties and lack of strong catalysts.

Fund Performance. The fund outperformed the benchmark in July.

On the positive side, stock selection in China, Korea and Taiwan added the most value. Power plants in China and Korea, namely Huaneng Power, Huadian Power and KEPCO, rose on expectations for strong earnings recovery. In Taiwan, despite short-term cyclical slowdown in handset demands, TSMC continues to take market share in other areas and maintain its global leadership. Meanwhile Zhen Ding, a Taiwanese Apple supply chain manufacturer, did well on the back of strong guidance from TSMC and Apple. In financials, Thai banks Bangkok Bank and Siam Commercial Bank rallied on better than expected results. Australian airline Qantas did well in July on the back of strong operational data release. Not owning low yielding Tencent also helped as stock price underperformed in July.

On the negative side, the underweight in India detracted the most. In terms of individual stocks, China Life Insurance hurt performance as the company came out with a disappointing profit guidance. While near-term earnings could be challenging due to weak sentiment, we believe that a lot of the concerns have already been factored in and reserve releases should continue to underpin strong profit growth. Meanwhile, tight credit environment and worries over tighter policy hit sentiment on the Chinese property sector, China Overseas Land & Investment and Vanke were the key detractors. We keep our overweight in Chinese property sector believing that these two companies will benefit from industry consolidation. Elsewhere, not owning Indian energy name Reliance hurt performance, as stock price rose aggressively ahead of quarterly results released at the end of July.

Fund Strategy. Despite the near-term headwinds, such as concerns around trade, in particular the imposition by the US of tariffs on Chinese goods, the flattening of the US yield curve and the deceleration in earnings growth, we remain constructive on the asset class. The global economic cycle still appears normal, and we view rising policy rates from today's low levels as confirmation of the health of the economy, rather than as a threat to markets. Back testing tells us that in previous such periods of rising rates, Asian equities have tended to outperform. Further, our analysis suggests that the current dollar strength is a bounce in the context of a longer term downtrend, rather than anything more structural.

For now, the key risk is that trade tensions escalate from current manageable levels to something more damaging to the global economy. Our base case is that it remains in all players' best interests not to descend into outright trade war. It's reassuring that China has responded to US tariffs with responses which have been proportional rather than by ratcheting up the rhetoric.

Income investing can still work in this benign reflationary environment, as there are more cyclicals and financials than defensives in the Asia high dividend universe. Valuation gap between bond proxies and financials remains wide, and we believe there is further room to converge. Our core strategy remains unchanged with a preference for both value and low beta, and any adjustments will be driven by valuation changes.

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 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. To know your rights under BSP Circular No. 857 (Regulations on Financial Consumer Protection), please access a copy at our website: www.bpiassetmanagement.com.