

**BPI ASSET MANAGEMENT AND TRUST CORPORATION  
ODYSSEY ASIA PACIFIC HIGH DIVIDEND EQUITY FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
As of April 27, 2017**

**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU):</b>	USD 10.63
<b>Launch Date:</b>	May 20, 2008	<b>Total Fund NAV (Mn):</b>	USD 17.22
<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> 0.7645%	<b>External Auditor Fees:</b> 0.0171%	<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 USD16.92 Million	Billings received in 2014 divided by the average daily NAV	Billings received in 2014 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.

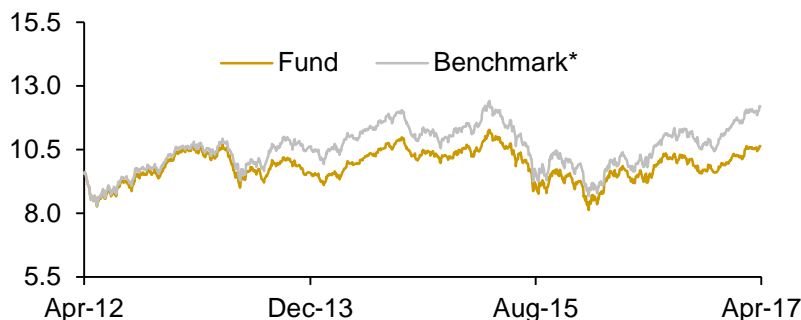
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular 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 APRIL 27, 2017

(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	10.64
Lowest	9.18

### STATISTICS

Portfolio Beta	0.93
Volatility, Past 1 Year (%) <sup>2</sup>	11.42
Sharpe Ratio <sup>3</sup>	0.83
Information Ratio <sup>4</sup>	-2.02
Current Number of Holdings	66

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

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>5</sup>
Fund	0.66	6.83	7.70	9.93	7.05	6.30
Benchmark	1.72	8.47	11.06	20.31	11.88	26.63

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>5</sup>
Fund	9.93	-2.32	2.30	0.09	2.17	0.69
Benchmark	20.31	0.22	3.81	3.08	5.01	2.68

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

	YTD	2015	2014	2013	2012	2011
Fund	10.84	3.45	-9.91	7.08	-5.41	21.10
Benchmark	15.30	6.18	-9.47	3.71	2.65	22.75

<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	96.26
Cash	4.94
Time deposits and money market	-
Other receivables - net of liabilities	-1.20
Top Five Sector Holdings	% of Equities
Financials	37.34
Industrials	12.60
Utilities	11.08
Information Technology	8.11
Energy	6.30
Top Five Country Weightings	% of Equities
China	23.94
Australia	20.34
Hong Kong	14.25
Korea	13.32
Taiwan	10.00

### TOP TEN HOLDINGS

Name	% of Equities
Korea Electric Power	5.56
HSBC Holdings	5.19
CK Hutchison Holdings	5.00
Bangkok Bank	4.97
China Mobile	4.37
LG Uplus	3.33
CNOOC	3.30
Yuanta Financial Holdings	2.95
DBS Group Holdings	2.91
QBE Insurance Group	2.73

### 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 markets shrugged off global geopolitical and local regulatory worries and posted a gain for four months in a row. US yields and the dollar drifted downwards over concerns about the Trump administration's inability to enact its legislative programme. Absolute returns were positive for all Asia Pacific ex Japan markets except Australia. Philippines, Malaysia and Indonesia were key outperformers driven by earnings and significant foreign inflows. Hong Kong/ China also outperformed as optimism about a positive meeting between Trump and Xi and the government's plan to establish a new economic zone in northern China outweighed tightening measures in shadow banking and Hong Kong property market. Korea underperformed as North Korea resumed provocation. Australia ended down as AUD turned weaker along with the iron ore price decline. Overall, technology and consumer discretionary led while materials and telecom lagged.

**Fund Performance.** The fund lagged the benchmark this month. On the positive side, stock selection within financials added the most value, including KB Insurance, CIMB, TISCO and CBA. Notably, KB Insurance rallied 21% after its key shareholder KB Financial Group announced full acquisition of KB Insurance at a premium. Thai auto lender TISCO did well as it saw further improvement in asset quality and lending also picked up on stronger car sales.

On the negative side, the underweight and stock selection in technology hurt. The underweight is largely structural as index heavyweight internet names (eg. Tencent at 3.7% and Alibaba at 2.7%) do not fulfill our income requirement. We also did not own another heavyweight Samsung Electronics (4.5% weighting) which continued to see strong results in all its major divisions, and it positively surprised the market with the announcement of the cancellation of all their outstanding Treasury shares. In China, our exposures in upstream oil hurt, including CNOOC and PetroChina, as oil price came off \$2 during the month. Toll road operators Zhejiang Expressway and Yuexiu Transport also took a pause.

**Fund Strategy.** With the US dollar appears peaking out, the backdrop for Asian equities looks very favourable. Historically, Asian equities tend to outperform developed markets when US dollar depreciates. While interest rate normalization has begun, income investing can still work in this 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 there is further room to converge.

Core strategy remained unchanged with a preference of both value and low beta and any adjustment to be made depends on valuation changes. Over the month, we took profit on Korea insurance names. We also initiated a new name within Chinese staples as we believe its earnings should recover. Overall we maintain a bias towards cyclical yield.

## 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 is regulated by the Bangko Sentral ng Pilipinas (BSP). 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. You may also file your complaints at BSP Financial Consumer Department at (632) 708-7087 or [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).