

**BPI ASSET MANAGEMENT AND TRUST GROUP  
ODYSSEY ASIA PACIFIC HIGH DIVIDEND EQUITY FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
As of August 28, 2015**

**FUND FACTS**

|                                |              |  |                     |
|--------------------------------|--------------|--|---------------------|
| <b>Classification:</b>         | Equity Fund  | <b>Net Asset Value per Unit (NAVPU):</b> | USD 9.22            |
| <b>Launch Date:</b>            | May 20, 2008 | <b>Total Fund NAV (Mn):</b>              | USD 16.43           |
| <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> 0.011%                        | <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 USD17.76 Million | *Billings received in 2014 divided by the average daily NAV | *Billings received in 2013 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.

|                           |   |
|---------------------------|---|
| <b>Market/Price Risk:</b> | 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. |
| <b>Liquidity Risk:</b>    | 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.                     |
| <b>Country Risk:</b>      | 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.   |
| <b>FX Risk:</b>           | 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.  |

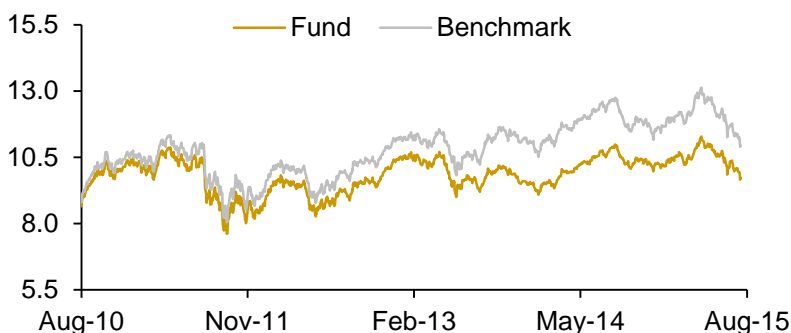
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular 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 AUGUST 28, 2015

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

### NAVPU GRAPH



### NAVPU over the past 12 months

|         |       |
|---------|-------|
| Highest | 11.28 |
| Lowest  | 8.86  |

### STATISTICS

|  |       |
|--|-------|
| Portfolio Beta                           | 0.93  |
| Volatility, Past 1 Year (%) <sup>2</sup> | 15.15 |
| Sharpe Ratio <sup>3</sup>                | -1.02 |
| Information Ratio <sup>4</sup>           | 0.08  |
| Current Number of Holdings               | 82    |

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

|           | 1 mo  | 3 mos  | 6 mos  | 1 YR   | 3 YRS | S.I. <sup>5</sup> |
|-----------|-------|--------|--------|--------|-------|-------------------|
| Fund      | -8.53 | -14.31 | -13.26 | -15.10 | 2.22  | -7.80             |
| Benchmark | -9.60 | -17.52 | -15.25 | -18.29 | 5.90  | 1.22              |

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

|           | 1 YR   | 2 YRS | 3 YRS | 4 YRS | 5 YRS | S.I. <sup>5</sup> |
|-----------|--------|-------|-------|-------|-------|-------------------|
| Fund      | -15.10 | -0.64 | 0.73  | -0.24 | 1.27  | -1.11             |
| Benchmark | -18.29 | -0.57 | 1.93  | 1.02  | 3.23  | 0.17              |

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

|           | YTD    | 2014 | 2013  | 2012  | 2011   | 2010  |
|-----------|--------|------|-------|-------|--------|-------|
| Fund      | -10.40 | 7.08 | -5.41 | 21.10 | -18.24 | 15.46 |
| Benchmark | -11.41 | 3.71 | 2.65  | 22.75 | -15.59 | 19.24 |

<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.

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

### PORTFOLIO COMPOSITION

| Allocation                 | % of Fund |
|----------------------------|-----------|
| Equities                   | 97.91     |
| Cash and Other Receivables | 2.09      |

#### Top Five Sector Holdings (Equity Portion)

|                    |       |
|--------------------|-------|
| Financials         | 55.70 |
| Industrials        | 10.68 |
| Telecommunications | 9.47  |
| Energy             | 8.38  |
| Utilities          | 8.04  |

#### Top Five Country Weightings (Equity Portion)

|           |       |
|-----------|-------|
| Australia | 25.00 |
| China     | 18.50 |
| Hong Kong | 15.27 |
| Korea     | 13.28 |
| Singapore | 9.19  |

### TOP TEN HOLDINGS

| Name                    | % of Equities |
|-------------------------|---------------|
| HSBC Holdings           | 4.23          |
| Korea Electric Power    | 3.99          |
| DBS Group Holdings      | 3.37          |
| BOC Hong Kong           | 3.30          |
| China Mobile            | 3.20          |
| China Construction Bank | 2.96          |
| QBE Insurance Group     | 2.82          |
| Bangkok Bank            | 2.70          |
| SK Innovation           | 2.45          |
| PTT                     | 2.44          |

### RELATED PARTY TRANSACTIONS\*

The Fund has no investments and trade transactions with Bank of the Philippine Islands, its subsidiaries and related parties.

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

## OUTLOOK AND STRATEGY

**Market Review.** Asia equities fell over 10% in August, its worst monthly performance since May 2012. Concerns about slowing global growth, US Fed hike, the sharp correction in Chinese A-shares, RMB devaluation amid weak economic growth, commodity price declines and the lack of top-line growth for technology sector all drove the markets lower this month. Currency remains a major concern. EM policy makers are allowing their currencies to be shock absorbers. The Malaysian ringgit (-8.5%) was the worst performing currency, followed by the Indonesian rupiah and Indian rupee. Following the RMB devaluation, EM bond funds redemptions are building. This puts further pressure on currencies and can constrain monetary policy, especially in China.

Elsewhere, India declined -8.8% as data for the month showed the economy grew 7%, which was lower than consensus expectations and the previous quarter's growth of 7.5%. Korean equities fell the least in the region, losing -5.8%, as tensions with North Korea eased. After falling almost 20% during the month, Taiwan equities recovered to end August down -8.0%. Taiwan's Financial Supervisory Commission (FSC) moved to ban short-selling of stocks and Taiwan depository receipts for less than their closing price the previous day, citing market stabilization and investor protection. ASEAN equities fell with Malaysia retreating -15.2%, the most in the region. Indonesia, the Philippines and Thailand lost about 6-8%.

**Fund Performance.** The fund fell by less than the market. Stock selection was strong in most markets, particularly in Korea and Australia. In Korea, cyclical name SK Innovation was up due to expectations of ongoing strength in refining margin. Other defensive names like SK Telecom, KEPCO, Macquarie Korea Infrastructure Fund also outperformed amid market volatilities. In Australia, cleaning service provider Spotless and health care coverage provider Medibank posted gains both attributed to better-than-expected results. On the negative side, country allocation overall was neutral, but the underweight in India detracted. Due to improving inflation outlook, Indian equities outperformed the broader markets but there were limited income opportunities. Stock selection in Thailand hurt again this month. Downstream oil play PTT corrected as oil price rebounded. In Singapore, DBS fell after outperforming in the previous month.

**Fund Strategy.** With Asian equity markets having retraced sharply, the PB is approaching ex crisis trough valuations levels suggesting more limited downside. Our equity Beta remains at close to 0.9. From here, our stock decisions will be based on bottom up valuation considerations rather than a desire to become more or less "cyclical". In August, we took profit on some Korea telecom/ utilities names and rotated to defensive names like REITs in Singapore and Australia. We also continue to add onto banks in the region.

## 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) Common shares, preferred shares, and convertible preferred shares listed on the Philippine Stock Exchange or any organized stock exchange;
- f) Shares offered in an Initial Public Offering, provided that the company will be listed on the Philippine Stock Exchange or any organized stock exchange within the normal listing period (approximately 30 days from start of the offer period);
- g) Primarily short-term exchange-listed securities and warrants of such securities;
- h) Primarily short-term marketable instruments that are traded in an organized exchange;
- i) Primarily short-term loans traded in an organized market;
- j) Such other tradable investments outlets/categories as may be approved by the relevant authority and allowed by the BSP; and
- k) Allowable investments denominated in any acceptable foreign currency.