

**BPI ASSET MANAGEMENT AND TRUST GROUP  
ODYSSEY ASIA PACIFIC HIGH DIVIDEND EQUITY FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
As of July 29, 2016**

**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU):</b>	USD 9.98
<b>Launch Date:</b>	May 20, 2008	<b>Total Fund NAV (Mn):</b>	USD 18.72
<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 USD18.04 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.

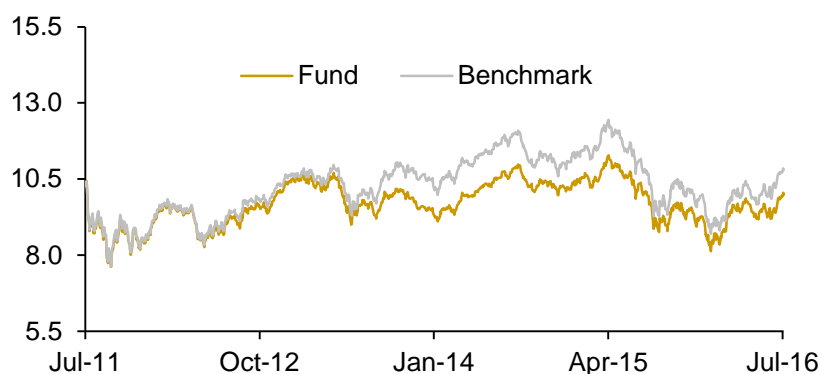
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular 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 JULY 29, 2016

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

### NAVPU GRAPH



### NAVPU over the past 12 months

Highest	10.09
Lowest	8.13

### STATISTICS

Portfolio Beta	0.95
Volatility, Past 1 Year (%) <sup>2</sup>	18.67
Sharpe Ratio <sup>3</sup>	-0.01
Information Ratio <sup>4</sup>	-0.04
Current Number of Holdings	69

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

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>5</sup>
Fund	5.94	3.21	14.71	-0.99	3.53	-0.20
Benchmark	5.58	6.13	17.26	-0.25	8.29	11.70

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>5</sup>
Fund	-0.99	-3.51	1.16	2.25	-0.57	-0.02
Benchmark	-0.25	-4.68	2.69	3.89	1.01	1.36

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

	YTD	2015	2014	2013	2012	2011
Fund	7.66	-9.91	7.08	-5.41	21.10	-18.24
Benchmark	7.99	-9.47	3.71	2.65	22.75	-15.59

<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	96.13
Cash and Other Receivables	3.87
<b>Top Five Sector Holdings</b>	<b>% of Equities</b>
Financials	53.77
Utilities	10.12
Industrials	9.64
Energy	8.63
Information Technology	5.03
<b>Top Five Country Weightings</b>	<b>% of Equities</b>
Australia	23.97
China	18.07
Korea	16.04
Hong Kong	13.22
Thailand	11.06

### TOP TEN HOLDINGS

Name	% of Equities
Korea Electric Power	5.72
China Mobile	4.80
HSBC Holdings	4.26
Bangkok Bank	4.22
LG Uplus	3.57
CK Hutchison Holdings	3.50
PTT	3.14
Huaneng Power International	2.83
Taiwan Semiconductor Manufacturing	2.81
AMP	2.67

### 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.** July witnessed a broad-based equity market rally shortly after Brexit (June 24th). In anticipation of easier overall global policy for longer, the rally continued through to the end of July, as global and Asian equities both rose. Despite the relatively hawkish tone of the FOMC minutes, futures markets participants are not pricing any rate hike till late 2017 as the US second quarter 2016 GDP growth was lower than expected. Most Asian currencies rose against this backdrop.

In USD terms, Australia was the best performing market driven by consumption and materials. A government was also eventually formed with the existing Coalition government retaining power by a very small margin. Thailand outperformed on the back of massive inflows at USD 1.3b. The cabinet's approval on the train projects also created optimistic expectation on fiscal spending. Korea did well on the back of positive 2Q16 results and also improving sentiment on the tech sector. In Greater China, Hong Kong gained given its interest rate sensitivity, as residential property sales continued to positively surprise. Taiwan rose as technology stocks were helped by Apple's positive outlook for 3Q16. China lagged as the government reiterated its determination to limit equity inflows from wealth management products, causing a sharp sell-off in domestic China markets towards month-end. Finally, Singapore only posted a flattish return dragged by the sell-off in banks due to a default in the oil and gas services sector.

**Fund Performance.** The fund outperformed the benchmark this month. On the positive side, stock selection in China added the most value. Elsewhere, exposures to Taiwan technology stocks helped amid stabilizing expectations for technology goods. From a sector perspective, most of the alpha came from financials spanning from banks, insurance, and property. From a country perspective, the overweight in Thailand helped as it continued to outperform the region on strong foreign inflows. On the negative side, positions in Korea hurt again as we did not have low-yielding Samsung Electronics which saw earnings upgrades. Other defensive exposures remained under pressure due to regulatory overhang while cyclical exposures corrected on fears over potential increase in liabilities due to regulation changes. From a country perspective, the overweight in Singapore did not help as it lagged on a high profile default in the oil and gas services sector.

**Fund Strategy.** While the Brexit decision has brought uncertainties to Europe, this has also pushed back the Fed's rate hike timing and imply low yield environment to stay longer. Now with global bond yields trending lower and moving into the negative territories, it is expected that more liquidity would flow from the bond market to other higher yielding assets including income generating equities. Asia Pacific stands out in this aspect with headline dividend yield of around 3% and there are many income opportunities across markets and sectors. More importantly, MSCI Asia Pacific ex Japan is trading at around 1.4x price-to-book value which is below one standard deviation of historical average. We have already seen some earnings recovery in select countries/ sectors, should we see more upgrades extending to the broader markets, Asia is likely to break through the trading range. On a relative basis, Asia has been lagging other emerging markets year-to-date, it is possible that the region will catch up in the second half of the year driven by a recovery in corporate earnings, stabilization in currencies and better sentiment towards China. There is no major change to the strategy. We continued to trim outperforming names and rotated into cheaper laggards such as Korea insurance and telecom.

## 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.