

# Odyssey Asia Pacific High Dividend Equity Fund

## A Unit Investment Trust Fund of the Bank of the Philippine Islands



### Investment Objective

The objective of the 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.

### Figures as of 03/31/2014

#### Cumulative Performance (%)<sup>1</sup>

	1 mo	1YR	3YRS	5YRS	S.I. <sup>2</sup>
Fund	1.15	-7.01	-7.32	72.50	-3.20
Benchmark <sup>3</sup>	1.78	2.19	5.65	120.68	12.02

#### Annualized Performance (%)<sup>1</sup>

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. <sup>2</sup>
Fund	-7.01	0.94	-2.50	1.47	11.52	-0.55
Benchmark <sup>3</sup>	2.19	6.56	1.85	5.69	17.15	1.95

#### Calendar Year Performance (%)<sup>1</sup>

	YTD	2013	2012	2011	2010	2009
Fund	0.73	-5.41	21.10	-18.24	15.46	62.90
Benchmark <sup>3</sup>	1.68	2.65	22.75	-15.59	19.24	76.77

<sup>1</sup> Returns are net of fees. Past performance is not an indication of future returns.

<sup>2</sup> Since Inception

<sup>3</sup> The Benchmark of the Fund is the MSCI AC Asia Pacific ex-Japan Total Return Index.

<sup>4</sup> Average daily NAV for the last three months.

### Key Figures and Statistics

Net Asset Value per Unit (NAVPU)	USD	9.68
Total Fund NAV (Mn)	USD	35.63
Average Daily NAV for the Quarter (Mn) <sup>4</sup>	USD	37.73
Current Number of Holdings		76
Information Ratio <sup>5</sup>		-1.70
Sharpe Ratio <sup>5</sup>		-0.60

Statistics (Past 5 Years)	Fund	Benchmark
Annualized Return (% net)	11.52	17.15
Annualized Volatility (%)	19.59	19.85
Portfolio beta	0.94	

### General Information

Launch Date	May 20, 2008
Fund Structure	Unit Investment Trust Fund
Fund Classification	Equity Fund
Fund Currency	US Dollar
Minimum Initial Investment	USD 5,000.00
Minimum Transaction	USD 1,000.00
Minimum Holding Period	None
Days to Settlement (Contribution)	Day 2 End-of-Day
Days to Settlement (Redemption)	Day 7 1:00 PM
Trust Fee <sup>6</sup>	1.75% per annum/0.44% per quarter
Custodianship Fee <sup>6</sup>	0.009% per quarter
External Audit Fee <sup>7</sup>	0.008%
Valuation Methodology	Marked-to-Market
External Auditor	Isla Lipana & Co.
Available Through	BPI Branches and <a href="http://www.bpiexpressonline.com">www.bpiexpressonline.com</a>
Trustee	Bank of the Philippine Islands
Third Party Custodian	HSBC, Ltd. (Philippines)
Sub-advisor	JP Morgan Asset Management
Dealing Cut-Off	2:00 PM

### Manager's Report

#### Market Review

Asian markets were mixed in March. Best performers were Indonesia and India where the outperformance was driven by improving current accounts as well as the markets pricing in political changes with elections to be held in both countries this year. Australia ended the month largely unchanged but domestic housing data continues to be solid. China lagged on concerns of slowing economic growth and tightening credit conditions, and the RMB depreciated as the government announced the widening of the currency's trading band. Taiwan was led by technology stocks as companies guided to better-than-expected orders. Korea remained range bound with heightened external risk and negative earnings revision post 4Q13 results.

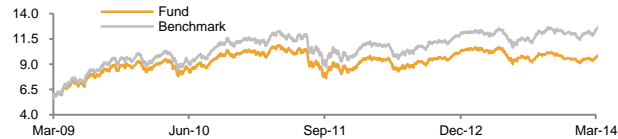
#### Fund Performance

The portfolio delivered decent gains but lagged the rise in the broader market. Positive contributors came from our underweight in Korea, and the overweight in Thailand. Best market in terms of stock selection was China which was the most notable contributor during the month. In China, our defensive and value-oriented holdings generated positive returns, bucking the trend of the local market. In Hong Kong although overall stock selection was negative due to holding of Macau gaming names, our stocks in the Industrial and utilities space registered strong gains. Despite these gains we were not able to participate fully in the strength of the Indian and Indonesian markets due to a lack of yield opportunities.

#### Fund Strategy

We believe that a global synchronized recovery has commenced, however as witnessed YTD, the path will be choppy. During this environment, the Fund is well positioned to deliver attractive returns while minimizing market volatility. The portfolio has an attractive yield of around 5%, and is well balanced with both cyclical equity stocks and defensive yield names. We still see decent equity income opportunities for investors in the Asian equities market. We continue to run the fund at a lower beta and valuation than the broader market, overall producing an attractive portfolio yield. There remain many sources of risk, particularly relating to elections and politics in Asia and US monetary policy, but the fund will continue to seek out high dividend paying companies with a good risk/return profile. As always, we see most opportunities in Australia, Singapore, Hong Kong/China and Thailand and we have increased Taiwan in recent months. Valuations in Thailand are starting to look even more compelling.

### NAVPU Graph



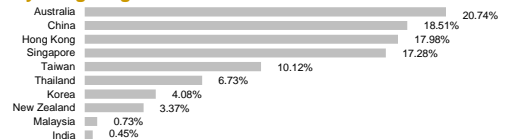
### Allocation

Portfolio Allocation: Equities 94.68%, Cash and Other Receivables 5.32%

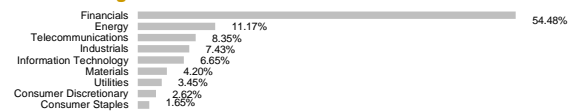
### Top Holdings

Name	Main Business	% of Fund
HSBC Holdings	Financials	5.23
China Petroleum & Chemical	Energy	4.92
BOC Hong Kong (Holdings)	Financials	4.64
Westfield Group Stapled Securities Unit	Financials	3.56
China Construction Bank	Financials	3.50
PTT	Energy	3.14
DBS Group Holdings	Financials	3.13
United Overseas Bank	Financials	2.85
Australia & New Zealand Banking Group	Financials	2.61
Telecom Corp Of New Zealand	Telecommunications	2.50

### Country Weightings



### Sector Holdings



Any prospective investment shall be limited to the type of investments described in the Declaration of Trust for the Fund.

### Risk Disclosure

The Fund is suitable for investors with an aggressive profile or for those who take long-term views. As a marked-to-market UITF, the Fund's net asset value and total return may fall as well as rise as a result of stock prices and interest rates movements. On redemption of units, an investor may receive an amount less than the original amount of investment. Prior to investment in the Fund, the investor shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, risk tolerance, preferences and experience.

\*\*By subscribing to this Fund, you agree that in case your holdings exceed 25% of the net asset value of the Fund, the Trustee shall provide the following customer details to the investment manager: name of customer, date of birth, nationality, ID type and number and residential address. Based on this information, when the investment manager considers, in its reasonable opinion, that your investment violates any applicable laws and regulations or the investment manager's internal policies and guidelines, then you will be required to redeem all your investments in the fund. This is in compliance with JP Morgan Asset Management's global compliance policy. JP Morgan Asset Management is the appointed investment manager.

<sup>5</sup> The Information Ratio evaluates reward-to-risk efficiency relative to the benchmark, while the Sharpe Ratio evaluates reward-to-risk efficiency relative to the risk free rate. The higher the number, the higher the reward per unit of risk. Sharpe and Information Ratios between funds of different classifications are non-comparable.

<sup>6</sup> Trust fee/custodianship fee as a percentage of average daily NAV for the quarter

<sup>7</sup> External Audit Fees as a percentage of 2011 end-year NAV

\*Plan Rules are available upon request.