

**BPI INVEST PHILIPPINE EQUITY INDEX FUND****KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of June 30, 2021

FUND FACTS

Classification:	Index Tracker Fund	Net Asset Value per Unit (NAVPU):	Php 94.32
Launch Date:	May 20, 2013	Total Fund NAV (Mn):	Php 55,835.97
Minimum Investment:	Php 10,000.00	Dealing Day:	Daily up to 2:30 PM
Additional Investment:	Php 1,000.00	Redemption Settlement:	T+3 End-of-Day
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES*

Trustee Fees: 1.000%	Custodianship Fees: 0.0013%	External Auditor Fees: 0.0053%	Other Fees: 0.00%
BPI Asset Management	HSBC	Isla Lipana	None
*As a percentage of average daily NAV for the quarter valued at Php52,827.91 Million	*Monthly rate: billings received for April 2021 divided by the average daily NAV	*Billings received for 2018 divided by the average daily NAV	

INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to track the performance of the Philippine Stock Exchange Composite Index (PSEi). The Fund shall substantially invest in stocks comprising the PSEi using the same weights as in the index.

CLIENT SUITABILITY

A client profiling process shall 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 BPI Invest Philippine Equity Index 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.

Equity Price Risk: Investors are exposed to adverse changes in the prices of stocks listed in the Philippine Stock Exchange, which may be brought about by adverse stock market conditions, unfavorable company earnings and valuations and/or negative developments in domestic and global political and economic conditions.

Liquidity Risk: Investors are exposed to the risk of loss due to the Fund's inability to convert security holdings to cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price due to limited buyers/sellers in the market, low trading volumes or market disruptions, among other reasons/ factors.

Related Party Risk: Investors are exposed to actual or potential conflicts of interest in the handling of related party transactions by the Trustee, specifically, time deposit placements with the Trustee's own bank and/ or its subsidiary, purchase of debt and equity securities issued by related parties, as well as the execution of trade transactions with related counterparties.

Index Tracking Risk: Investors are exposed to the risk of not being able to achieve a level of return that matches the index being tracked by the Fund due primarily to operating and fund management expenses.

In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. 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.**

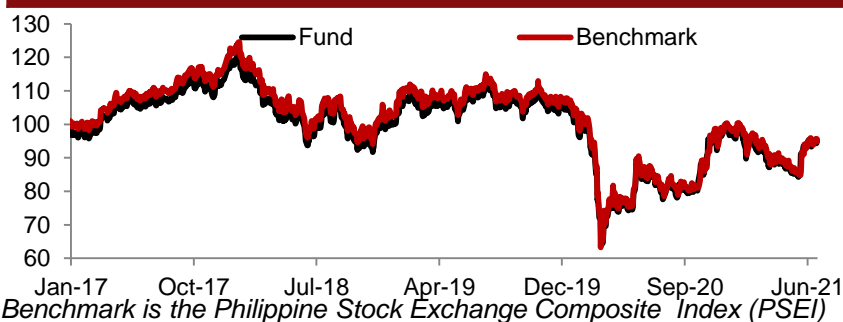
• WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES SHALL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.

• THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.

FUND PERFORMANCE AND STATISTICS AS OF JUNE 30, 2021

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

NAVPU GRAPH



NAVPU over the past 12 months

Lowest	77.67
Highest	99.15

STATISTICS

Portfolio Beta	1.00
Volatility, Past 1 Year (%) ³	17.05
Current Number of Holdings	32
Tracking Error, Since Inception ⁴	0.30

CUMULATIVE PERFORMANCE (%)¹

	1 mo	3 mos	6 mos	1YR	3YRS	S.I
Fund	4.15	7.27	-2.69	11.83	-2.28	-5.68
Benchmark	4.12	7.12	-3.33	11.18	-4.06	-5.13
Benchmark (TR)	4.21	7.60	-2.17	13.10	1.12	10.04

ANNUALIZED PERFORMANCE (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I
Fund	11.83	-6.53	-0.77	-2.72	-2.10	-0.72
Benchmark	11.18	-7.11	-1.37	-3.15	-2.41	-0.65
Benchmark (TR)	13.10	-5.47	0.37	-1.47	-0.73	1.19

CALENDAR YEAR PERFORMANCE (%)¹

	YTD	2020	2019	2018	2017	2016
Fund	-2.69	-7.97	5.27	-12.47	24.56	-1.68
Benchmark	-3.33	-8.64	4.68	-12.76	25.11	-1.60
Benchmark (TR)	-2.17	-6.90	6.46	-11.41	27.15	0.19

PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	99.84
Cash	0.10
Time Deposits and Money Market	0.26
Other Receivables - Net of Liabilities	-0.20
Sector Holdings (Equity Portion)	
Holding Firms	38.68
Property	21.26
Financials	16.22
Services	12.20
Industrials	11.49
Mining and Oil	0.00

¹ Returns are net of fees.

² Since Inception

³ Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

⁴ Measures of deviation between the Fund's return and benchmark returns. A lower number means the Fund's return is closely aligned with the benchmark.

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

TOP TEN HOLDINGS

Name	%
SM Investments Corporation	16.60
SM Prime Holdings, Inc.	10.90
Ayala Land, Inc.	8.38
Ayala Corporation	6.55
BDO Unibank, Inc.	6.27
Bank of the Philippine Islands	5.52
JG Summit Holdings, Inc.	5.37
Int'l Container Terminal Services, Inc.	4.90
Universal Robina Corp.	4.12
Aboitiz Equity Ventures, Inc.	3.20

RELATED PARTY TRANSACTIONS*

The Fund has transactions and outstanding investments including deposits, investment in the share/s of stocks, and/or debt issuances of the following companies related to the BPI Asset Management and Trust Corporation (BPI AMTC):

Ayala Corporation – Php 3,657.15Mn
Bank of the Philippine Islands – Php 3,158.05Mn

Ayala Land, Inc. – Php 4,677.89Mn
Globe Telecom, Inc. – Php 866.53Mn

Investments in the said outlets were approved by the BPI AMTC's Board of Directors. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

*Related party in accordance with BPI AMTC's internal policy

OUTLOOK AND STRATEGY

Market Review. The Philippine Stock Exchange Index (PSEi) rose by 4.1% in June as market players cheered on the prospects of the country's reopening on the back of improving vaccination rates. This is expected to accelerate further as more doses come in the following months. In July, we are expecting another 13.3 million doses while 13.6 million doses are coming in August. Volume spiked by 13.8% to US\$165m average daily turnover. In terms of foreign activity, foreigners remained as net sellers at US\$80 million, stretching the year-to-date figure to US\$1.545 billion.

Macro-economic news for the month include: (1) Inflation registered at 4.5% in May, higher than the government's target of 2-4%. The rise was brought about by increases in prices of meat, particularly pork. (2) The Bangko Sentral ng Pilipinas (BSP) maintained its key policy rates. The Monetary board revealed that the overall economic recovery remained tentative but saw some improvements in the past weeks.

In terms of individual stock performances, main advancers were: ICT (+14.40%), DMC (+13.13%) and SCC (+12.18%); while the main laggards include: LTG (-6.52%), SECB (-3.28%) and BLOOM (-2.54%).

Fund Performance. The Fund registered a gain of 4.15% for the month, outperforming its benchmark by 3 basis points.

Fund Strategy. The fund will continue to track the PSEi.

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) Shares of stock of selected corporations, including convertible preferred stocks, which are already listed or being offered publicly and soon to be listed in the Philippine stock market.
- (b) Primarily short-term tradable fixed-income instruments, issued or guaranteed by the Philippine government or the BSP; marketable instruments that are traded in an organized exchange; investment outlets/ categories the BSP allow. Provided, that, a financial instrument is regarded as tradable if quoted two-way prices are readily available and regularly available from an exchange, dealer, broker, industry group, pricing service or regulatory agency, and those prices represent actual and regularly occurring market transactions on an arm's length basis.
- (c) Primarily short-term tradable fixed-income securities issued, underwritten, or otherwise dealt by BPI and/or any of its subsidiaries, affiliates, their successors-in-interest or assignees, their directors, officers, stockholders, and related interest, and any of their trust and fund managed accounts, under such terms and conditions as the Trustee may deem to be in the best interest of the Fund or any such instrument as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Subsection UX 410.12 (a) of the Manual of Regulations for Banks and Other Financial Institutions.
- (d) Bank deposits, BSP special deposit account or tradable debt instruments issued by the BSP.
- (e) Such other investments allowed under regulations issued by the BSP.

BPI Asset Management and Trust Corporation (BPI AMTC) is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send an email to bpi_asset_management@bpi.com.ph or call us at (02) 8580-AMTC (2682).

Regulated by the Bangko Sentral ng Pilipinas. <https://www.bsp.gov.ph>, BSP Webchat <https://www.bsp.gov.ph>

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