

**BPI INVEST EQUITY VALUE FUND**

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of October 28, 2022

**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU):</b>	Php 135.57
<b>Launch Date:</b>	April 4, 2005	<b>Total Fund NAV (Mn):</b>	Php 4,061.01
<b>Minimum Investment:</b>	Php10,000.00	<b>Dealing Day:</b>	Daily up to 2:30 PM
<b>Additional Investment:</b>	Php1,000.00	<b>Redemption Settlement:</b>	T+3 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

<b>Trustee Fees:</b> 1.500%	<b>Custodianship Fees:</b> 0.0011%	<b>External Auditor Fees:</b> 0.0047%	<b>Other Fees:</b> 0.00%
BPI Asset Management	HSBC	Isla Lipana	None

\*As a percentage of average daily NAV for the quarter valued at Php 4,176.97 Million  
 \*Monthly rate: billings received divided by the average daily NAV for the month  
 \*Billings received for 2018 divided by the average daily NAV

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund intends to achieve for its participants long-term capital growth by investing into the extent possible, equity securities issued by Philippine domiciled companies which have a value style bias. The Fund aims to provide returns in excess of the return of the Philippine Stock Exchange index (PSEi).

**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 Equity Value Fund is suitable 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 equity 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 equity securities issued by related parties, as well as the execution of trade transactions with related counterparties.

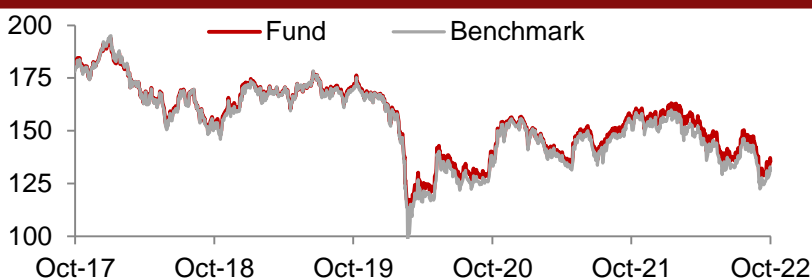
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- **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.**
- **THIS PRODUCT CANNOT BE SOLD TO YOU UNLESS ITS BENEFITS AND RISKS HAVE BEEN THOROUGHLY EXPLAINED. IF YOU DO NOT FULLY UNDERSTAND THIS PRODUCT, DO NOT PURCHASE OR INVEST IN IT.**

## FUND PERFORMANCE AND STATISTICS AS OF OCTOBER 28, 2022

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

### NAVPU GRAPH



\* Benchmark is Philippine Stock Exchange Index.

### NAVPU over the past 12 months

Highest	163.12
Lowest	127.18

### STATISTICS

Portfolio Beta	1.00
Volatility, Past 1 Year (%) <sup>3</sup>	19.85
Sharpe Ratio <sup>4</sup>	-0.64
Information Ratio <sup>5</sup>	0.73
Current Number of Holdings	34

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

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>6.60</b>	<b>-1.97</b>	<b>-8.41</b>	<b>-11.33</b>	<b>-20.99</b>	<b>166.61</b>
<b>Benchmark</b>	7.18	-2.57	-8.58	-12.78	-22.86	208.54

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>2</sup>
<b>Fund</b>	<b>-11.33</b>	<b>-0.41</b>	<b>-7.55</b>	<b>-3.18</b>	<b>-5.66</b>	<b>5.74</b>
<b>Benchmark</b>	-12.78	-1.36	-8.29	-3.65	-5.96	6.62

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

	YTD	2021	2020	2019	2018	2017
<b>Fund</b>	<b>-12.43</b>	<b>1.08</b>	<b>-8.24</b>	<b>3.64</b>	<b>-12.87</b>	<b>24.08</b>
<b>Benchmark</b>	-13.61	-0.24	-8.64	4.68	-12.76	25.11

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	93.84
Fixed Income	0.00
Cash	0.12
Time Deposits and Money Market	6.77
Other Receivables – Net of Liabilities <sup>6</sup>	-0.73
<b>Sector Holdings</b>	
Holding Firms	30.67
Property	19.82
Financials	17.79
Industrials	10.59
Services	13.91
Mining and Oil	1.06

### TOP TEN HOLDINGS

Name	%
SM Investments Corporation	13.38
SM Prime Holdings, Inc.	9.83
BDO Unibank, Inc.	7.42
Ayala Corporation	6.08
Ayala Land, Inc.	5.99
Bank of the Philippine Islands	5.43
PLDT Inc.	5.20
Int'l Container Terminal Services, Inc.	4.76
Metropolitan Bank & Trust Co.	4.61
Aboitiz Equity Ventures, Inc.	4.57

### RELATED PARTY TRANSACTIONS\*

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

ACEN Corporation Php 17.50 Mn, Ayala Corporation — Php 246.78 Mn, Ayala Land, Inc. — Php 243.33 Mn, Bank of the Philippine Islands — Php 395.67 Mn, Globe Telecom, Inc. — Php 70.49 Mn

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' AMTCs internal policy.

<sup>1</sup>Returns are net of fees.

<sup>2</sup>Since Inception

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

<sup>4</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>5</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>6</sup>Includes accrued income, investment securities purchased, accrued expenses, etc.

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

## OUTLOOK AND STRATEGY

**Market Review.** The Philippine Stock Exchange Index (PSEi) rallied in October on bargain-hunting after a steep decline in September. The PSEi's positive performance also tracked US stocks rally given better-than-expected 3Q earnings report and the hope that the US Federal Reserve (Fed) will slow the pace of its tightening. Cooling US housing market and decelerating manufacturing growth are few of the economic data that the Fed will definitely take into consideration. The PSEi rose by 7.2% to close at 6,153.43

Trading volume remained thin as many expected with Average Daily Value Turnover coming in at US\$ 155 million or 32% lower than the prior month. Meanwhile, foreigners continued to be net sellers at US\$11.6 million for October. This has stretched the year-to-date Net Foreign Selling to US\$ 1.24 billion.

For the individual stock performances, the top index gainers for the month include: MER (+14.60%), GLO (+14.38%) and BDO (+14.17%). Meanwhile, the bottom index performers were: SCC (-10.38%), RLC (-9.95%) and WLCON (-8.14%).

**Fund Performance.** The fund returned 6.60% in October, underperforming its benchmark by 58 basis points. Year-to-date, it outperformed the benchmark by 118 basis points with a return of -12.43%.

**Fund Strategy.** The Fund will maintain its defensive stance given the persisting volatility in the global markets. Global rate hikes, high inflation and local currency depreciation coupled with low-volume trading will continue to apply pressure on equity assets. Likewise, the fund will prefer defensive names (high dividend yielding stocks). Tactically, the fund will take advantage of price swings – raising cash on rallies and buying on dips.

## 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 which are already listed or being offered publicly and soon to be listed in major capital markets.
- (b) Primarily short term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable fixed-income instruments issued by financial institutions or private corporations; exchange-listed securities; marketable instruments that are traded in an organized exchange; loans traded in an organized market; and, such other tradable investment outlets/ categories as the BSP may allow.
- (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.
- (d) Bank deposits and 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](mailto:bpi_asset_management@bpi.com.ph) or call us at (02) 8580-AMTC (2682).

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