


**FUND FACTS**

<b>Classification:</b>	Equity Feeder Fund	<b>NAVPU:</b>	USD 84.37
<b>Launch Date:</b>	February 1, 2021	<b>Total Fund NAV (Mn):</b>	USD 6.05
<b>Minimum Investment:</b>	USD 100.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	No minimum	<b>Redemption Settlement:</b>	T+5 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES**

<b>Trustee Fees: 0.0823%*</b>	<b>Custodianship Fee: 0.00%</b>	<b>External Audit Fee: 0.00419%**</b>	<b>Other Fees: 0.01%***</b>
BPI Wealth	None	Isla Lipana	Indexing Licensing Fee

\*Monthly rate: Billings received for September 2023 divided by the average daily NAV for the same month valued at USD 6.22 Mn

\*\*2023 Audit Fees divided by the average daily NAV for the month of September valued at USD 6.22 Mn

\*\*\*Billings received in September 2023

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a Feeder Fund, intends to achieve for its Participants long term capital growth by investing in a Target Fund that invests in stocks in the health care sector. The Fund aims to provide excess return over the MSCI World Health Care Index. Pursuant to existing BSP rules and regulations, as a Feeder Fund, this Fund is mandated to invest at least 90% of its assets in a single collective investment scheme.

**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 Global Health Care Feeder Fund is for investors who:

- Are at least classified as aggressive based on their risk profile.
- Have an investment horizon of at least five (5) years.

Participation in the Fund shall be open to Participants with legal capacity to contract and who are not considered US persons under the US securities and tax laws, subject to the other conditions, rules or provisions stated in the Plan Rules and those established by the Trustee. No beneficial owner shall hold more than 10% of the Fund. Any investor who owns more than 10% shall be asked to redeem the amount (or its equivalent number of units) in excess of 10% within thirty (30) calendar days.

**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 global equities in the health care sector due to adverse market conditions, unfavorable company earnings and valuations, and negative developments in the political and economic conditions of the focus countries of the securities of the target fund.
<b>Liquidity Risk:</b>	Investors are exposed to the risk of loss due to the target 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 participants in the market, low trading volumes, 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 the focus countries of the underlying securities of the target fund, which may adversely affect the value of the feeder fund.
<b>FX Risk:</b>	Investors are exposed to the risk of loss from a decline in the market value of the target fund when the market value of foreign currency denominated securities held by the target fund are translated to USD.

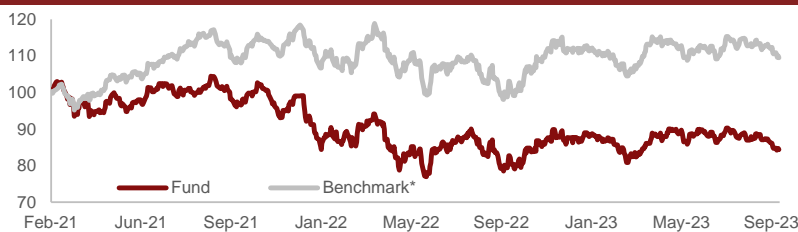
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

- **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.**
- **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 SEPTEMBER 29, 2023

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

### NAVPU GRAPH



\*MSCI World Health Care Index

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

	1 mo	3 mos	6 mos	1YR	3YRS	S.I. <sup>2</sup>
Fund	-4.22	-5.31	-0.34	6.27	-	-15.63
Benchmark	-3.25	-2.76	-0.40	10.88	-	9.51

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

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. <sup>2</sup>
Fund	6.27	-7.17	-	-	-	-6.20
Benchmark	10.88	0.01	-	-	-	3.48

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

	YTD	2022	2021 <sup>3</sup>
Fund	-3.82	-11.52	-0.86
Benchmark	-2.40	-5.02	18.13

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Target Fund	98.58
Cash and Equivalents	1.50
Others-net of liabilities	-0.08
Regional Breakdown	% of Target Fund
United States	72.63
United Kingdom	7.81
Switzerland	4.96
Others	14.60
Sector Breakdown	% of Target Fund
Major Pharmaceuticals	27.57
Biotechnology	18.20
Health Services	16.09
Medical Technology	12.25
Others	25.89

### NAVPU over the past 12 months

Highest	90.25
Lowest	79.06

### STATISTICS

Volatility, since inception (%) <sup>4</sup>	13.87
Sharpe Ratio <sup>5</sup>	0.11
Information Ratio <sup>6</sup>	-0.33

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

<sup>2</sup> Since Inception

<sup>3</sup> Fund performance from Feb to year-end 2021

<sup>4</sup> Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time

<sup>5</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>6</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.

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

### TOP TEN HOLDINGS

Name	% of Target Fund
Eli Lilly & Co	7.55
UnitedHealth Grp Inc	6.83
Merck & Co Inc	4.98
AstraZeneca PLC	4.81
Pfizer Inc	3.83
Novartis AG	3.70
Danaher Corp	3.18
Boston Scientific Corp	2.49
Daiichi Sankyo Co	2.04
Vertex Pharm Inc	1.91

### RELATED PARTY TRANSACTIONS\*

The Fund has no transactions and outstanding investments with entities related to BPI Wealth - A Trust Corporation ("BPI Wealth").

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

### OTHER FUND FACTS

<b>Fund Currency:</b>	US Dollar	<b>Fund structure:</b>	UCITS (IRL)
<b>Benchmark:</b>	MSCI World Health Care Index	<b>Inception Date:</b>	October 31, 2003
<b>Name of Target Fund:</b>	Wellington Global Health Care Equity Fund	<b>Trustee and Custodian:</b>	State Street Custodial Services (Ireland) Limited
<b>Regulator:</b>	Central Bank of Ireland	<b>Total Expense Ratio:</b>	1.32%
<b>Fund Manager:</b>	Wellington Management Company LLP		

The Fund Performance Report and relevant information about the Wellington Global Health Care Equity Fund can be viewed and downloaded through <https://www.wellingtonfunds.com/en-at/institutional/>.

## OUTLOOK AND STRATEGY

**Market Review.** Global equity markets declined in September. The Federal Reserve kept rates steady but remained hawkish in tone, keeping the possibility of another rate hike before yearend. The Federal Open Market Committee (FOMC) members also projected that rate cuts will be pushed back, with median end-2024 and end-2025 target rate projections being forecasted 50 bps higher compared to June projections. Sentiment weakened and risk assets sold off as interest rates rose and rate cut expectations have been pushed back, reinforcing the higher for longer narrative. In terms of business activity, the US economy barely remained in the expansionary territory, with its composite PMI barely unchanged from 50.2 to 50.1 month-on-month, driven by further contraction in the manufacturing sector. The MSCI All Country World Index returned -4.10% for the month, with developed markets, underperforming its emerging counterparts. Across other regional markets, Chinese and Hong Kong equities sold-off amid the region's challenged real estate sector and weaker than expected economic data. The MSCI World Health Care Index returned -3.3% over the month. Within the index, health care services and large-cap biopharmaceuticals were the top performing sectors.

**Fund Performance.** The fund returned -4.22% in September, lagging the benchmark by 97 basis points. Security selection within mid-cap biopharmaceuticals, health care services and large-cap biopharmaceuticals detracted from performance.

**Fund Strategy.** Supportive valuations, robust innovation pipeline and business models that are positioned to show resilience through the cycle should benefit the sector over the long-term. Within the biopharma industry, the fundamental backdrop, resilient earnings and breakthrough innovations, particularly in disease areas and oncology, are expected to become tailwinds in a potential recessionary environment. Outside of biopharma, medical technology companies have numerous opportunities due to advancements in technology development, engineering capabilities, and integrated informatics. The fund will focus on companies with strong organic growth and superior business models to navigate the current macro environment. Within health care services, valuation remains attractive for managed care companies and their earnings shall hold up well in periods of economic volatility. The fund favors companies focused on improving patient outcomes while reigning in costs. The fund will continue to favor companies that develop innovative products designed to address important unmet medical needs. Over the long term, the tailwinds of innovation and an aging population should continue to drive growth for the sector.

## 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) Primarily in a single collective investment scheme whose investment objective is to provide investment results in excess of the return of the MSCI World Health Care Index; provided further that such CIS is approved or registered and supervised by a regulatory authority that is a member of the International Organization of Securities Commissions (IOSCO) and managed by reputable fund manager/s; provided further that the investment in the said collective investment scheme should at least be ninety percent (90%) of the total assets of the Fund. The Target Fund must be recognized as a collective investment scheme in its home jurisdiction by a regulatory authority or any regulatory authority acceptable to the BSP to supervise this CIS.
- (b) Short-term tradable fixed-income instruments issued or guaranteed by the Philippine government or the BSP; tradable securities issued by the government of a foreign country, any political subdivision/agency of a foreign country or any supranational entity; tradable fixed-income instruments issued by foreign or local 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 investments outlets/ categories as the BSP may allow. Provided, that, a financial instrument is regarded as tradable if two-way prices are quoted, readily available or 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) Short-term tradable fixed-income instruments 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; and, any such other instruments as may be allowed under BSP regulations. Investment with related interests shall be in accordance with Section 414-Q of the Manual of Regulations for Non-Bank Financial Institutions.
- (d) The principal investments of the Fund will be denominated in, but not limited to the U.S. Dollar. The target fund invests in securities denominated in other currencies.
- (e) Bank deposits or tradable debt instruments issued by the BSP
- (f) Such other investments allowed under regulations issued by the BSP.

## INVESTMENT OBJECTIVE OF TARGET FUND

The Wellington Global Health Care Equity Fund seeks long-term total returns. The Investment Manager will actively manage the Fund, seeking to achieve the objective by investing in the equity securities of health care companies worldwide. The Fund takes a long term value approach and seeks to invest in fundamentally sound companies. Although the Fund is not constructed relative to a benchmark, the MSCI World Health Care index will serve as a reference benchmark.

BPI Wealth is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send us a message through [bpiwealth@bpi.com.ph](mailto:bpiwealth@bpi.com.ph) or by visiting [www.bpi.com.ph/contactus](http://www.bpi.com.ph/contactus). You may also call our 24-hour BPI Contact Center at (+632) 889 10000.

BPI Wealth as Trustee/Investment Manager is regulated by the Bangko Sentral ng Pilipinas. <https://www.bsp.gov.ph>