

**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU):</b>	Php 116.94
<b>Launch Date:</b>	August 16, 2013	<b>Total Fund NAV (Mn):</b>	Php 7,502.56
<b>Minimum Investment:</b>	Php1,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	No minimum	<b>Redemption Settlement:</b>	T+3 End-of-Day
<b>Minimum Holding Period:</b>	None	<b>Early Redemption Charge:</b>	None

**FEES\***

Trustee Fees: 0.1276%*	Custodianship Fees: 0.0013%**	<b>External Auditor Fees: 0.00%***</b>	<b>Other Fees: 0.00%</b>
BPI Wealth	HSBC	Isla Lipana	None

\*Monthly rate: billings received for August 2023 divided by the average daily NAV for the same month valued at PHP 7,685.37 Mn  
 \*\*Monthly rate: billings received for July 2023 divided by the average daily NAV for the same month valued at PHP 7,889.57 Mn  
 \*\*\*Billing is received at the last quarter of the year

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund intends to achieve for its participants total return through a combination of current income and long-term capital appreciation by investing in listed companies that have high dividend yields or have established a history of dividend payouts. 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 Philippine High Dividend Equity 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 high dividend yield 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.

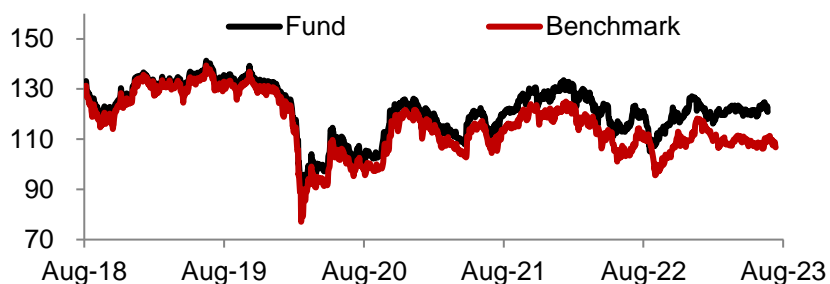
In accordance with the provisions in the Declaration of Trust, the Fund employs a risk management policy based on duration. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks

- **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 AUGUST 31, 2023

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

### NAVPU GRAPH



\* Benchmark is the Philippine Stock Exchange Index

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

	1 mo	3 mos	6 mos	1YR	3YRS	S.I
<b>Fund</b>	-5.28	-2.57	-0.85	-1.27	13.34	16.94
<b>Benchmark</b>	-6.31	-4.66	-5.81	-6.20	4.95	-5.37
<b>Benchmark (TR)</b>	-6.04	-4.31	-3.93	-3.82	11.59	14.65

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

	1YR	2YRS	3YRS	4YRS	5YRS	S.I
<b>Fund</b>	-1.27	-1.27	4.26	-3.62	-2.51	1.57
<b>Benchmark</b>	-6.20	-5.09	1.62	-6.21	-4.70	-0.55
<b>Benchmark (TR)</b>	-3.82	-3.00	3.72	-4.31	-2.82	1.37

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

	YTD	2022	2021	2020	2019	2018
<b>Fund</b>	-1.89	-5.40	2.21	-6.85	4.71	-11.76
<b>Benchmark</b>	-5.96	-7.81	-0.24	-8.64	4.68	-12.76
<b>Benchmark (TR)</b>	-4.01	-5.91	1.58	-6.90	6.46	-11.41

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	96.31
Cash	0.10
Time Deposits and Money Market	3.68
Receivables – Net of Liabilities	-0.09
<b>Sector Holdings</b>	
Holding Firms	25.84
Financials	20.63
Property	19.43
Services	16.67
Industrials	11.82
Mining and Oil	1.91

### NAVPU over the past 12 months

Highest	127.09
Lowest	105.16

### STATISTICS

Portfolio Beta	0.96
Volatility, Past 1 Year (%) <sup>3</sup>	16.39
Sharpe Ratio <sup>4</sup>	-0.31
Information Ratio <sup>5</sup>	1.54
Current Number of Holdings	29

<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.

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

### TOP TEN HOLDINGS

Name	%
SM Investments Corporation	13.01
SM Prime Holdings, Inc.	8.70
Bank of the Philippine Islands	8.02
BDO Unibank, Inc.	7.19
Int'l Container Terminal Services, Inc.	6.85
Manila Electric Company	6.65
Metropolitan Bank & Trust Co.	5.42
Ayala Corporation	5.24
Ayala Land, Inc.	5.15
PLDT Inc.	4.80

### 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 Wealth A Trust Corporation ("BPI Wealth"):

ACEN Corp. – Php 10.85 Mn, Ayala Corp. – Php 392.94 Mn, Ayala Land Inc. – Php 386.58 Mn,  
Bank of the Philippine Islands – Php 743.95 Mn, Globe Telecom, Inc. – Php 356.86 Mn

Investments in the said outlets were approved by the BPI Wealth'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 Wealth's internal policy

## OUTLOOK AND STRATEGY

**Market Review.** The local equities market sharply declined given the combination of illiquid market condition and worrisome macroeconomics data on both local and global space which forced investors to err on the side of caution. According to the minutes of the latest FOMC meeting of US Federal Reserve's (The Fed), officials spoke with a hawkish tone – expressing concerns on inflation pace which might lead to more rate hikes. Moreover, selling pressure intensified following the release of the 2nd quarter Philippines GDP which came out a shocker. The local economy grew at 4.3% which was way below consensus estimates of 6.0% - mostly due to the steep decline in government expenditures (-7.0% YoY). The PSEi dropped by 6.3% to close at 6,175.25 in August.

Activity in August improved as Average Daily Turnover came in at Php5.21 billion from Php3.46 billion in the prior month. Foreigners remained net sellers at US\$131 million with large flows coming out of index heavyweights SM and SMPH. Moreover, the MSCI quarterly rebalancing which indicated a reduction in the country's weighting further added to the sell-off.

For stock performances, the top three gainers for the month were as follows: SCC (+10.92%), GTCAP (+5.05%) and MPI (+3.70%). Meanwhile, the bottom three index performers included: CNVRG (-23.07%), JGS (-15.10%) and AEV (-12.64%).

**Fund Performance.** The Fund returned -5.28% in August, above its benchmark by 103 bps. Moreover, the YTD performance of the Fund of -1.89% is above its benchmark by 407 bps.

**Fund Strategy.** The Fund will maintain its defensive stance given the heightened volatility from internal and external sources. The elevated interest rate environment, inflation and slow growth continue to drag sentiment. The fund will take advantage of market swings to rebalance in favor of high-quality names.

## 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.
- (d) 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.
- (e) Bank deposits, BSP special deposit account or tradable debt instruments issued by the BSP.
- (f) Such other investments allowed under regulations issued by the BSP.

• BPI Wealth - A Trust Corporation ("BPI Wealth") is a subsidiary of the Bank of the Philippine Islands. For inquiries and comments, please send an email to [bpiwealth@bpi.com.ph](mailto:bpiwealth@bpi.com.ph) or call us at (02) 8580-2682.

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