

**ODYSSEY PHILIPPINE EQUITY FUND**Key Information and Investment Disclosure Statement  
As of August 31, 2023**FUND FACTS**

<b>Classification:</b>	Equity Fund	<b>NAVPU:</b>	Php 378.32
<b>Launch Date:</b>	May 5, 2003	<b>Total Fund NAV (Mn):</b>	Php 799.51
<b>Minimum Investment:</b>	Php 10,000.00	<b>Dealing Day:</b>	Daily up to 2:00 PM
<b>Additional Investment:</b>	Php 5,000.00	<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> 0.1701%*	<b>Custodianship Fees:</b> 0.0016%*	<b>External Auditor Fees:</b> 0.00%***	<b>Other Fees:</b> 0.00%
BPI Wealth	HSBC	Isla Lipana	None

\*Monthly rate: billings received for August 2023 divided by the average daily NAV for the month valued at Php 817.00 Million

\*Monthly rate: billings received for July 2023 divided by the average daily NAV for the month valued at Php 838.40 Million

\*\*\*Billing is received at the last quarter of the year

**INVESTMENT OBJECTIVE AND STRATEGY**

The objective of this Fund is to attain long-term capital growth for Peso investors. To achieve this, the Fund will be invested in a concentrated portfolio of stocks listed on the Philippine Stock Exchange. The Fund seeks to outperform 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 Odyssey Philippine Equity 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:** The Fund invests in a concentrated portfolio of stocks listed in the Philippine Stock Exchange, exposing investors to potentially larger losses from a decline in stock prices, compared to funds tracking the index or employing a value style bias/ strategy. Decline in stock prices 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.

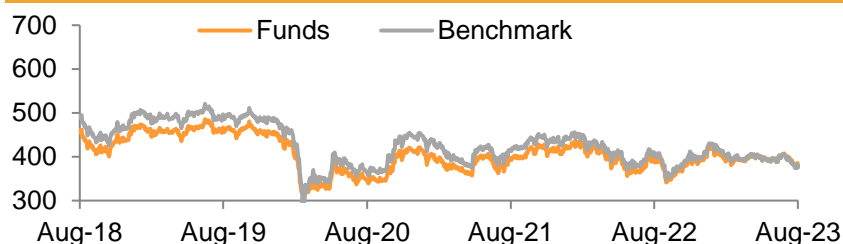
The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular basis. 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 Philippine Stock Exchange Index.

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

	1 mo	3 mos	6 mos	1 YR	3 YRS	S.I. <sup>5</sup>
<b>Fund</b>	-6.04	-3.92	-2.69	-2.32	8.73	278.32
<b>Benchmark</b>	-6.31	-4.66	-5.81	-6.20	4.95	471.59

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

	1 YR	2 YRS	3 YRS	4 YRS	5 YRS	S.I. <sup>5</sup>
<b>Fund</b>	-2.32	-2.33	2.83	-5.11	-3.86	6.76
<b>Benchmark</b>	-6.20	-5.09	1.62	-6.21	-4.70	8.95

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

	YTD	2022	2021	2020	2019	2018
<b>Fund</b>	-3.58	-4.56	-0.18	-9.57	3.95	-13.58
<b>Benchmark</b>	-5.96	-7.81	-0.24	-8.64	4.68	-12.76

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	97.79
Cash	0.19
Time Deposits and Money Market	2.48
Other Receivables – Net of Liabilities <sup>6</sup>	-0.46
Sector Holdings (Equity Portion)	
Holding Firms	32.84
Property	16.20
Financials	22.12
Industrials	13.66
Services	12.21
Mining and Oil	0.77

### NAVPU over the past 12 months

Highest	421.99
Lowest	341.29

### STATISTICS

Portfolio Beta	1.02
Volatility, Past 1 Year (%) <sup>2</sup>	17.89
Sharpe Ratio <sup>3</sup>	-0.34
Information Ratio <sup>4</sup>	2.37
Current Number of Holdings	30

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

<sup>2</sup>Measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

<sup>3</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>4</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>5</sup>Since inception.

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

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

### TOP TEN HOLDINGS

Name	% of Fund
SM Investments Corporation	13.16
BDO Unibank, Inc.	9.57
SM Prime Holdings, Inc.	9.13
Bank of the Philippine Islands	8.05
Ayala Land, Inc.	6.67
Ayala Corporation	6.37
Int'l Container Terminal Services, Inc.	5.77
Metropolitan Bank & Trust Co.	4.50
Jollibee Foods Corp.	3.80
Universal Robina Corp.	3.74

### RELATED PARTY TRANSACTIONS

The Fund has investments and trade transactions with BPI Wealth - A Trust Corporation ("BPI Wealth"), its subsidiaries and related parties:

ACEN Corporation - Php 3.93 Million  
 Ayala Corporation – Php 50.90 Million  
 Ayala Land Inc. – Php 53.33 Million  
 Bank of the Philippine Islands – Php 74.13 Million  
 Globe Telecom, Inc. - Php 19.46 Million

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 -6.04% in August, outperforming the benchmark by 27 bps. Year-to-date, it outperformed the benchmark by 238 basis points with a return of -3.58%.

**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) Common shares, preferred shares, and convertible preferred shares listed on the Philippine Stock Exchange;
- b) Shares offered in an Initial Public Offering (IPO), provided that the company will be listed on the Philippine Stock Exchange within the normal listing period (approximately 30 days from the start of the offer period);
- c) Bank Deposits;
- d) Primarily short term securities issued by or guaranteed by the Philippine government, or by the BSP;
- e) Primarily short term tradable securities issued or guaranteed by multilateral institutions such as the Asian Development Bank (ADB), International Monetary Fund (IMF), and World Bank;
- f) Primarily short term exchange-listed securities;
- g) Primarily short term marketable instruments that are traded in an organized exchange;
- h) Primarily short term loans traded in an organized market; and
- i) Such other tradable investments outlets/categories as may be approved by the relevant authority and allowed 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>

For more information, you may contact us at (632) 8580-2682 or email us at [bpiwealth@bpi.com.ph](mailto:bpiwealth@bpi.com.ph).