

ATRAM EM EQUITY OPPORTUNITY FEEDER FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



www.atram.com.ph

As of September 30, 2020

FUND FACTS

Classification	Equity Fund	Net Asset Value per Unit (NAVPU)	USD 1.254406
Launch Date	November 13, 2013	Total Fund NAV	USD 3.13 Million
Minimum Investment	USD 1,000	Dealing Date	Daily
Additional Investment	USD 500	Redemption Settlement	Trade Date + 5 Business Days ¹
Minimum Holding Period	None	Early Redemption Charge	None
Structure	UITF, Feeder Fund	Target Fund	Franklin Templeton Investment Funds - Templeton Emerging Markets Fund

¹ ATRAM Trust reserves the right to settle on Trade Date + 7 Business Days if settlement of redemption from Target Fund gets delayed.

FEES ²

Trustee Fee ATRAM Trust	1.05%	Custodianship Fees Deutsche Bank Citibank	0.00%	External Auditor Fees SGV and Co.	0.01%	Other Fees (Transaction Fees)	0.01%
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² As a percentage of average daily NAV for the month valued at USD 3.21 Million

The investor is advised to consider all fees and charges before investing in the Fund as they may be subject to higher fees arising from the layered investment structure of a feeder fund.

INVESTMENT OBJECTIVE AND STRATEGY

The Fund seeks to achieve long-term capital appreciation by investing all or substantially all of its assets in an equity collective investment scheme that invests mainly in equity securities of emerging markets companies or those companies which derive a significant proportion of their revenues or profits from emerging market economies.

CLIENT SUITABILITY

A client suitability 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 ATRAM EM Equity Opportunity Feeder Fund is suitable ONLY for investors who:

- have an aggressive risk appetite
- are comfortable with the volatility and risks of an equity fund
- have a medium to long-term investment horizon
- are seeking to invest in emerging market equity securities

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.

Market Risk	Factors (e.g. macroeconomic developments, political conditions) that affect the overall performance of financial markets may lead to lower prices of securities and losses for investors.
Counterparty Risk	The Fund is exposed to risks arising from solvency of its counterparties (e.g. custodian, broker, banks) and their ability to respect the conditions of contracts or transactions.
Liquidity Risk	Liquidity risk occurs when certain securities in a fund's portfolio may be difficult or impossible to sell at a particular time, which may prevent the redemption of investment in a fund until its assets can be converted to cash.
Reinvestment Risk	When income is received from the investments, or when the investments are sold and reinvested, there is a risk that the return would be lower than the return realized previously.
Foreign Currency Risk	The value of investments may be affected by fluctuations in the exchange rates of securities in a different currency other than the base currency of the Fund.
Country Risk	The Fund may suffer losses arising from investments in securities issued by/in foreign countries due to political, economic and social structures of such countries.

- THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (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.

Legal and Tax Risk The interpretation and implementation of laws and regulations are constantly changing and they may change with retroactive effect. There is no certainty that investors will be compensated for any damage or loss incurred as a result of legal or regulatory changes.

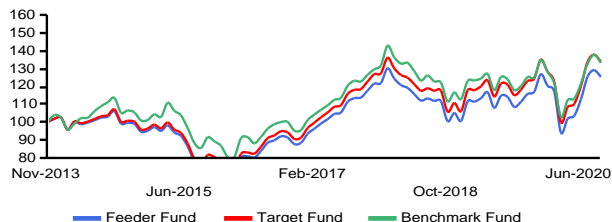
Equity Risk The Fund investments mainly in equity securities, the prices of which fluctuate daily, sometimes dramatically, which could result in significant losses.

Region Risk The Fund is focused on emerging markets which increases potential volatility. Emerging markets are less developed and growth in the region is more uncertain.

Active risk management has been core to the portfolio discipline and firm of the Target Fund's Investment Manager, Franklin Templeton Investments Corp., a member of the Franklin Templeton Group. They approach risk management holistically: It encompasses their underlying fund operations, investment lifecycle activities, and portfolio stress testing and analysis. Each of these efforts is underpinned by their firm's core investment strategy and approach. Most of the Franklin Templeton portfolios are constructed using a bottom-up security selection process with a keen eye on the macroeconomic factors at work. Investment selection is driven by fundamental, research-driven analysis. In constructing portfolios, they look carefully at diversification, investment correlation, macroeconomic outlook, and benchmark alignment, where appropriate.

Investors should be aware and understand that all investments involve risk and that there is no guarantee against losses on investments made in the Fund. The Fund Manager employs strategies to mitigate risks, however, there is no assurance that no loss will be incurred.

FUND PERFORMANCE AND STATISTICS As of September 30, 2020
(Purely for reference purposes and is not a guarantee of future results)



NAVPU Over the Past 12 Months

Highest	1.299085
Lowest	0.836687

Statistics over the past 12 months

Standard Deviation	28.02
Beta	1.12
Information Ratio	0.44

Standard Deviation measures how widely dispersed the fund's returns are away from the average return of the fund.

Beta of a fund measures its relationship with the benchmark. A beta of 1 means the fund's returns generally mirror the pattern of its benchmark's return. A zero beta means that the fund's pattern of return is completely unrelated with the benchmark; a negative beta indicates the choice of benchmark may be inappropriate.

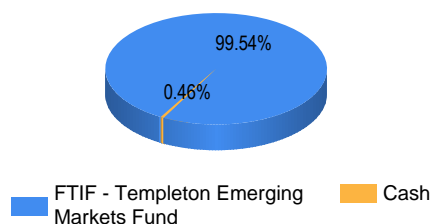
Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

Cumulative Performance (%)

	1 Mo	3 Mos	6 Mos	1 Yr	3 Yrs
FUND	-2.97%	11.19%	33.48%	12.57%	10.17%
BENCHMARK*	-3.34%	9.70%	29.65%	10.91%	8.61%

*MSCI Emerging Markets Index

Portfolio Composition



Fund Details (Target Fund)	
Name of Fund	FTIF - Templeton Emerging Markets Fund
Investment Manager	Franklin Templeton Investments Corp.
Fund Inception Date	February 28, 1991
Benchmark	MSCI Emerging Markets Index
Base Currency	USD
Total Net Assets	921 M
Standard Deviation (3 Yr)	20.19
Beta (3 Yr)	1.07
Sharpe Ratio (3 Yr)	0.13
Total Expense Ratio	1.15
ISIN Code	LU0195951610
SEDOL Code	B020FH9
Bloomberg Code	TEMEMIA LX
Share Class	I Acc USD

Cumulative Performance* (%) (Target Fund)					
	3 mos	YTD	1 Yr	3 Yrs	5 Yrs
Target Fund	11.49	-0.45	13.27	12.98	76.45
Benchmark	9.56	-1.16	10.54	7.43	53.64

Investment Objective (Target Fund)
Long-term capital growth by investing mainly in equity securities of emerging market companies, or those companies which derive a significant proportion of their revenues or profits from emerging economies.

Asset Allocation (Target Fund)	
Asset Allocation	Equity: 100.00%
	Cash and Others: 0.00%

Top Ten Holdings (Target Fund)	
Name of issuer	% of Total
Alibaba Group Holding Ltd	11.0
Taiwan Semiconductor Manufacturing Co Ltd	10.5
Samsung Electronics Co Ltd	10.1
Tencent Holdings Ltd	8.8
Naver Corp	4.6
Naspers Ltd	3.8
Unilever Plc	3.0
ICICI Bank Ltd	2.8
Brilliance China Automotive Holdings Ltd	2.5
Yandex Nv	2.3

Regional Exposure	
	% of Total
China	33.3
South Korea	20.1
Taiwan	14.0
Russia	6.9
Brazil	5.9
India	5.2
South Africa	4.1
United Kingdom	3.0
United States	1.9
Others	5.7

Sector Exposure	
	% of Total
Information Technology	27.2
Consumer Discretionary	22.2
Communication Services	20.2
Financials	15.9
Consumer Staples	4.9
Materials	3.5
Energy	3.1
Industrials	2.0
Health Care	0.9
Others	0.0

OTHER DISCLOSURES

The Fund is a feeder fund and will invest all or substantially all of its assets in the Franklin Templeton Investment Funds - Templeton Emerging Markets Fund. Cash balances may be invested in deposit products and short-term government securities for liquidity management and not primarily as target investment outlets of the Fund.

Participation in the Fund may be further exposed to the risk of potential or actual conflicts of interest in the handling of in-house or related party transactions by ATRAM Trust. These transactions may include: deposits with affiliates; purchase of own-institution or affiliate obligations (e.g. stocks); purchase of assets from or sales to own institutions, directors, officers, subsidiaries, affiliates or other related interests/parties; or purchases or sales between fiduciary/managed accounts. All transactions with related parties, if any, are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

(from the Templeton Emerging Markets Fund Monthly Commentary dated 30 September 2020)

South Korea-based semiconductor and consumer electronics company Samsung Electronics gained. New foundry orders from high-profile clients lifted market confidence in its chip-making business. Investors also eyed potential market share gains for Samsung across the semiconductor, smartphone, and fifth generation wireless technology (5G) network equipment industries amidst escalating US restrictions against Chinese technology companies. The Fund Manager is positive on Samsung's longer-term prospects as the competitive environment tilts in its favor.

Global consumer goods giant Unilever advanced. The British pound's decline provided a tailwind for the UK-based company, which generates more than half of its sales in EMs. The Fund Manager views Unilever's defensive business model and solid balance sheet as strengths amidst the pandemic. They believe it is well-positioned to capture EMs' longer-term consumption growth potential, given its strong portfolio of brands, product customization skills, and longstanding track record in this part of the world.

Conversely, Russian integrated energy company Lukoil fell as oil prices declined. The Fund Manager views Lukoil's healthy balance sheet as a source of resilience in a soft oil price environment. They also think it has a solid business model that should continue to generate free cash flows, which bode well for dividends or share buybacks given the management's focus on shareholder returns.

Markets had expected greater economic normalization globally as we head into the fourth quarter. However, rising COVID-19 cases in various parts of the world have shown that the pandemic is likely to persist, and policymaking has largely remained reactive. Against this backdrop, technology-driven stocks have been resilient, with several EM companies faring well amidst the pandemic.

The Fund Manager expects the current economic and market environments to continue until a vaccine is widely available or herd immunity is achieved, with outcomes potentially varying widely by country. They believe economic recoveries are likely to be shallow and uneven, contrasting with the steep downturns we saw earlier in the year. Governments have deployed massive stimulus, but many businesses have shut as lockdowns hit economies.

US-China relations have been deteriorating, and political jostling in the lead-up to the US presidential election could generate greater noise. The Fund Manager thinks the election could drive market volatility, especially if the voting results are disputed. In their view, both US political candidates are likely to maintain pressure on China. They expect ongoing US-China trade and technology conflicts to impact supply chains, resulting in more localization and reshoring.

The Fund Manager's investment focus remains on companies that demonstrate sustainable earnings power, trading at discounts to their perception of their intrinsic worth. Amongst the portfolio's key holdings are EM companies that have shown leadership in various technology-related areas such as semiconductors and internet services. The portfolio is also invested in companies that offer exposure to EMs' longer-term consumption growth potential, reflected in a rising penetration of goods and services or a "premiumization" in demand.
