

ATRAM GLOBAL BOND INCOME FEEDER FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



www.atram.com.ph

As of September 30, 2020

FUND FACTS

Classification	LT Bond Fund	Net Asset Value per Unit (NAVPU)	PHP 95.673147
Launch Date	May 22, 2019	Total Fund NAV	PHP 1,826.05 Million
Minimum Investment	PHP 1,000	Dealing Date	Daily
Additional Investment	PHP 1,000	Redemption Settlement	Trade Date + 5 Business Days ¹
Minimum Holding Period	None	Early Redemption Charge	None
Structure	UITF, Unit-Paying Feeder Fund	Target Fund	PIMCO GIS Diversified Income 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	0.71%	Custodianship Fees Deutsche Bank Citibank	0.00%	External Auditor Fees SGV and Co.	0.00%	Other Fees (Transaction Fees)	0.01%
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² As a percentage of average daily NAV for the month valued at PHP 1,832.44 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 maximize total return by investing all or substantially all of its assets in a collective investment scheme that invests primarily in global debt securities.

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 Global Bond Income Feeder Fund is suitable ONLY for investors who:

- have a moderate risk appetite
- are comfortable with volatility and risks of a bond fund
- have a medium-term investment horizon
- are seeking to invest in global debt 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.

Distribution Risk While the Target Fund Manager intends to distribute income (net of expenses) in respect of each accounting period, there is no assurance on such distribution or the distribution rate or dividend yield.

Interest Rate Risk The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing interest rates. As the prices of bond investments of a Fund adjust to a rise in interest rates, the Fund's unit price may decline.

Credit/Default Risk An investor is exposed to credit risk as there is a possibility that a borrower may fail to pay the principal and/or interest in a timely manner on instruments such as bonds, loans, or other form of debt securities which the borrower used.

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

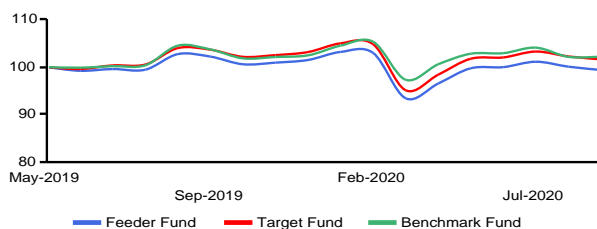
Derivatives Risk The Fund may use derivatives for hedging and investment purposes. However, usage will not be extensive and only for efficient portfolio management. The Fund may suffer losses from its derivatives usage.

Hedging Risk The Target Fund may use derivative financial instruments for hedging purposes. There is no guarantee that the effectiveness of a hedging instrument shall remain throughout the term of the underlying investment. Should the hedging instrument become ineffective, liquidating this based on market prices may result to market losses.

The Fund Manager of the Target Fund employs a risk management process which enables them to monitor and measure the risk of the positions and their contribution to the overall risk profile of the Target Fund. Although care is taken to understand and manage the abovementioned risks, the Fund and accordingly the investors will ultimately bear the risks associated with the investments of the Target Fund.

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	102.174506
Lowest	87.369566

Statistics over the past 12 months

Standard Deviation	10.85
Beta	1.14
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	S.I.
FUND	-0.70%	-0.61%	6.42%	-2.77%	-0.58%
BENCHMARK*	0.01%	-0.76%	4.98%	-1.52%	2.20%

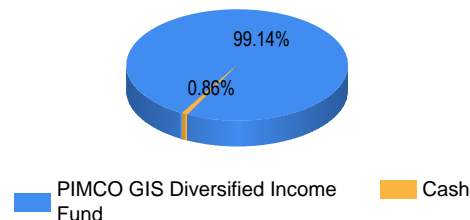
*Bloomberg Barclays Global Credit Hedged USD

Unit Income Distribution Information

Unit Income Payment date	Unit Income Per Unit Holding	Annualized Distribution Yield
26 Jul 2019	0.0039 units	1.58%
18 Oct 2019	0.0081 units	3.23%
20 Jan 2020	0.0093 units	3.72%
22 Apr 2020	0.0092 units	3.69%
22 Jul 2020	0.0080 units	3.20%

The Fund aims to distribute monthly, same as the Target Fund. Please note that amounts of distribution may vary, are not guaranteed, and are determined by the Trustee in accordance with the Plan Rules. Income distribution may result in an immediate decrease in NAVPU.

Portfolio Composition



Fund Details (Target Fund)	
Name of Fund	PIMCO GIS Diversified Income Fund
Investment Manager	PIMCO Global Advisors (Ireland) Limited
Fund Inception Date	September 08, 2008
Benchmark	1/3 Bloomberg Barclays Global Agg. Credit ex. EM USD hedged, 1/3 ICE BofA Merrill Lynch BB-B Rated Developed Markets High Yield Constrained Index USD Hedged, 1/3 JPMorgan EMBI Global USD Hedged
Base Currency	USD
Total Net Assets	16.7 B
Credit Rating	A
Yield To Maturity	3.92
Duration	6.1 Yrs
Total Expense Ratio	0.69
ISIN Code	IE00B138GV00
SEDOL Code	B138GV0
Bloomberg Code	PIMDIFI ID
Share Class	INST INC USD

Cumulative Performance* (%) (Target Fund)					
	3 mos	YTD	1 Yr	3 Yrs	5 Yrs
Target Fund	2.33	2.94	4.77	17.02	41.97
Benchmark	2.62	2.01	3.74	14.25	34.39

Investment Objective (Target Fund)
The investment objective of the Fund is to seek to maximize total return, consistent with prudent investment management

Asset Allocation (Target Fund)	
Asset Allocation	Fixed Income and Others: 100.00%

Top Ten Holdings (Target Fund)	
Name of issuer	% of Total
Unicredit Spa Sr Unsec 144A	0.7
Gazprom Pjsc (Gaz Fn) Sr Unsec	0.6
Credit Suisse Group Ag Unsec 144A	0.5
Eqf Corp Sr Unsec	0.5
Sabine Pass Liquefaction 1St Lien	0.5
Pemex Sr Unsec	0.5
BNP Paribas Sr Unsec 144A	0.5
Deutsche Bank NY Sr Unsec	0.4
AT&T Inc Sr Unsec	0.4
Altice France Sa Sec 144A	0.4

Currency Exposure	
	% of Total
Canada	0.1
Australia	0.1
United Kingdom	0.0
Indonesia	0.0
Poland	0.0
Colombia	0.0
Brazil	0.0
South Korea	0.0
India	0.0
Japan	0.0

Sector Exposure	
	% of Total
Banks	14.3
Financial Other	4.2
Media Cable	3.7
Automotive	3.4
Pipelines	3.3
Independent E&P	2.8
Integrated Oil	2.5
Technology	2.1
Real Estate	1.8
Wirelines	1.6

OTHER DISCLOSURES

The Fund is a feeder fund and will invest all or substantially all of its assets in the PIMCO GIS Diversified Income 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.

Investors should take into consideration that the base currency of the Fund is Philippine Peso while the Target Fund is denominated in US Dollars. Foreign currency positions of the Fund will not be hedged which may expose investors to higher risk.

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 PIMCO GIS Diversified Income Fund Monthly Commentary dated 30 September 2020)

Contributors:

- Underweight exposure to EM external debt, as spreads widened over the second half of the month amid increased volatility and rising COVID-19 infection rates
- Duration positioning in the US
- Underweight exposure to high yield energy, which underperformed alongside continued distress and lower than average recoveries

Detractors:

- Tactical exposure to subordinated bank debt, including AT1 bonds of select European banks, as spreads widened alongside rising COVID-19 infection rates and increased Brexit-related risks

Outlook and Strategy:

Alongside increased near term uncertainty around US elections and a second wave of infections paired with the retracement in spreads from their March highs the Fund Manager remains cautious and continues to emphasize a selective approach which focuses on the most default remote segments of the market. Given attractive valuations they have selectively added exposure to market leading companies within COVID-impacted sectors, but only where they have the balance sheet resilience to weather the downturn across a range of possible scenarios.

Asset Allocation Themes

Financials: The Fund Manager continues to find opportunities in financials, focusing on senior bonds and select European bank capital, given strong balance sheet fundamentals and attractive valuations..

Securitized: Focus on Agency mortgages given significant Fed support and lack of solvency concerns. The Fund Manager remains constructive on non-agency mortgages given high levels of equity and seasoning and resilience across various market environments.

High yield: The Fund Manager remains defensive in high yield overall given the current economic uncertainty and downside risk, focusing on senior secured bonds in non-cyclical and highly cash generative industries.

Investment Grade Corporates: The Fund Manager sees long-term potential in higher quality, “bend-but-not-break” investment grade corporates. They are focused on default remote issuers in defensive sectors that display balance sheet strength, as well as some COVID-impacted companies on a selective basis.

Emerging Markets: The Fund Manager remains cautious on EM, as uncertainties over global growth and low oil prices place incremental pressure on oil exporting and tourism dependent economies. They emphasize a selective approach focusing on Sovereign and Quasi Sovereign issuers with strong fundamentals and ability to repay..

Duration & Currency: Marketweight on duration versus benchmark, with a preference for the intermediate part of the curve given the better carry. The Target Fund maintains limited FX exposure..
