

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



www.atram.com.ph

As of September 30, 2020

FUND FACTS

|                               |                   |   |   |
|-------------------------------|-------------------|---|---|
| <b>Classification</b>         | Equity Fund       | <b>Net Asset Value per Unit (NAVPU)</b> | USD 1.289294                              |
| <b>Launch Date</b>            | July 28, 2014     | <b>Total Fund NAV</b>                   | USD 9.71 Million                          |
| <b>Minimum Investment</b>     | USD 1,000         | <b>Dealing Date</b>                     | Daily                                     |
| <b>Additional Investment</b>  | USD 500           | <b>Redemption Settlement</b>            | Trade Date + 5 Business Days <sup>1</sup> |
| <b>Minimum Holding Period</b> | None              | <b>Early Redemption Charge</b>          | None                                      |
| <b>Structure</b>              | UITF, Feeder Fund | <b>Target Fund</b>                      | Fidelity Funds - International Fund       |

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

FEES <sup>2</sup>

|                                   |       |  |       |   |       |   |       |
|-----------------------------------|-------|--|-------|---|-------|---|-------|
| <b>Trustee Fee</b><br>ATRAM Trust | 1.00% | <b>Custodianship Fees</b><br>Deutsche Bank<br>Citibank | 0.00% | <b>External Auditor Fees</b><br>SGV and Co. | 0.02% | <b>Other Fees</b><br>(Transaction Fees) | 0.01% |
|-----------------------------------|-------|--|-------|---|-------|---|-------|

<sup>2</sup> As a percentage of average daily NAV for the month valued at USD 9.81 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 principally in equity securities in markets throughout the world including major markets and smaller emerging markets.

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 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 long-term investment horizon
- are seeking to invest in global 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.

|                              |  |
|------------------------------|--|
| <b>Market Risk</b>           | 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.  |
| <b>Counterparty Risk</b>     | 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.   |
| <b>Liquidity Risk</b>        | 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. |
| <b>Reinvestment Risk</b>     | 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.   |
| <b>Foreign Currency Risk</b> | 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.   |
| <b>Country Risk</b>          | 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.

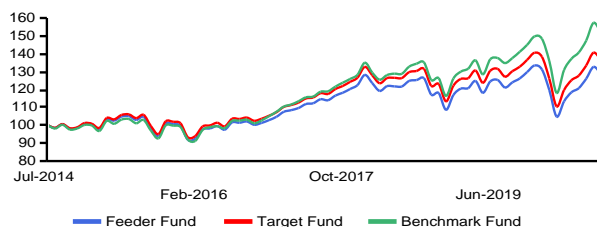
**Equity Risk** The Fund investments mainly in equity securities, the prices of which fluctuate daily, sometimes dramatically, which could result in significant losses.

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

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 | 1.363634 |
| Lowest  | 0.916836 |

**Statistics over the past 12 months**

|                    |       |
|--------------------|-------|
| Standard Deviation | 20.08 |
| Beta               | 0.90  |
| Information Ratio  | -2.22 |

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

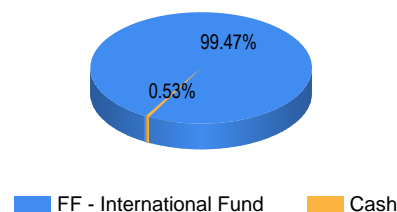
**Beta** of a fund measures its relationship with the benchmark. A beta of 1 means the fund's returns generally mirror the pattern of its benchmark's return. A zero beta means that the fund's pattern of return is completely unrelated with the benchmark; a negative beta indicates the choice of benchmark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

| <b>Cumulative Performance (%)</b> |             |              |              |             |              |
|-----------------------------------|-------------|--------------|--------------|-------------|--------------|
|                                   | <b>1 Mo</b> | <b>3 Mos</b> | <b>6 Mos</b> | <b>1 Yr</b> | <b>3 Yrs</b> |
| FUND                              | -3.00%      | 6.60%        | 23.02%       | 3.85%       | 10.47%       |
| BENCHMARK*                        | -3.49%      | 7.93%        | 28.82%       | 10.41%      | 25.06%       |

\*MSCI World Net Index

**Portfolio Composition**



| Fund Details (Target Fund) |   |
|----------------------------|---|
| Name of Fund               | FF - International Fund                     |
| Investment Manager         | FIL Investment Management (Luxembourg) S.A. |
| Fund Inception Date        | December 31, 1991                           |
| Benchmark                  | MSCI World Net Index                        |
| Base Currency              | USD   |
| Total Net Assets           | 1.72 B                                      |
| Standard Deviation (3 Yr)  | 15.78                                       |
| Beta (3 Yr)                | 0.93  |
| Sharpe Ratio (3 Yr)        | 0.17  |
| Total Expense Ratio        | 1.05  |
| ISIN Code                  | LU0370789132                                |
| SEDOL Code                 | B39YVG6                                     |
| Bloomberg Code             | FFINTLY LX                                  |
| Share Class                | Y Acc USD                                   |

| Cumulative Performance* (%) (Target Fund) |       |       |       |       |       |
|---|-------|-------|-------|-------|-------|
|   | 3 mos | YTD   | 1 Yr  | 3 Yrs | 5 Yrs |
| Target Fund                               | 6.90  | -2.40 | 4.80  | 13.60 | 44.10 |
| Benchmark                                 | 7.90  | 1.70  | 10.40 | 25.10 | 64.60 |

| Investment Objective (Target Fund)   |
|--|
| This fund aims to provide long-term capital growth by investing at least 70% in company shares in markets throughout the world including major markets and smaller emerging markets. |

| Asset Allocation (Target Fund) |                        |
|--------------------------------|------------------------|
| Asset Allocation               | Equities: 99.90%       |
|                                | Cash and Others: 0.10% |

| Top Ten Holdings (Target Fund) |            |
|--------------------------------|------------|
| Name of issuer                 | % of Total |
| Microsoft Corp                 | 1.5        |
| Alphabet Inc                   | 1.3        |
| T-Mobile US Inc                | 1.2        |
| Berkshire Hathaway Inc Del     | 1.1        |
| Amazon.com Inc                 | 1.1        |
| Apple Inc                      | 1.1        |
| Morgan Stanley                 | 1.0        |
| Charter Communications Inc     | 0.9        |
| Oracle Corp                    | 0.9        |
| Amerisourcebergen Corp         | 0.8        |

| Regional Exposure |            |
|-------------------|------------|
|                   | % of Total |
| North America     | 58.6       |
| Europe            | 17.2       |
| Global            | 9.9        |
| Japan             | 9.1        |
| Pacific ex Japan  | 2.9        |
| Emerging Markets  | 2.1        |

| Strategy Allocation        |            |
|----------------------------|------------|
|                            | % of Total |
| US Value                   | 17.5       |
| US Core                    | 16.6       |
| US QUANT 2                 | 13.7       |
| American Growth            | 8.1        |
| International Overlay Pool | 5.8        |
| Pan European Equity        | 5.6        |
| European Dividend          | 5.1        |
| FIRST Developed World      | 3.8        |
| Europe                     | 3.3        |
| Japan Aggressive           | 3.1        |

**OTHER DISCLOSURES**

The Fund is a feeder fund and will invest all or substantially all of its assets in the Fidelity Funds - International 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 Fidelity International Fund Monthly Performance Review dated 30 September 2020)

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### Market Environment

Global equities generated positive returns, driven by signs of a recovery in economic activity and optimism around potential COVID-19 vaccines and treatments. Expectations that global monetary policies will remain accommodative also supported markets. Notably, the US Federal Reserve made a shift in its policy towards inflation and said it would be more willing to allow inflation to overshoot its 2% target for some time following a period of muted price pressures. However, rising COVID-19 cases globally, a delay in additional fiscal stimulus in the US and US-China tensions kept markets volatile. Against this global backdrop, the US, Japan and Europe ex UK outperformed other developed markets. Emerging markets also gained and outperformed developed markets. From a sector perspective, consumer discretionary, information technology (IT) and materials delivered positive performance. On the economic front, global manufacturing activity, as measured by the JPMorgan Global Manufacturing Purchasing Managers' Index, moved back into expansionary territory over the third quarter. Production and new orders rebounded as lockdown measures to curb the pandemic were eased across regions. Manufacturing sector activity improved across the US, UK, eurozone, China and Japan. Global services sector growth also recovered with a resumption of economic activity. Furthermore, economic sentiment in the eurozone continued to rise after falling to an all-time low in April. Business sentiment in Japan also improved from its multi-year low.

### Fund Performance

The Target Fund delivered returns of 6.6% while the index posted a return of 7.9% over the quarter. Strategy selection in North America weighed on relative performance. This was partially offset by favorable positioning in Japan and Pacific ex Japan.

Strategies in North America detracted - The underlying US value strategy detracted from performance due to its positioning in the health care and consumer discretionary sectors. However, the underweight allocation to the real estate sector supported returns.

European equities weighed on returns - The underlying pan-European strategy detracted from performance due to its positioning in the consumer discretionary and industrials sectors. This was partially offset by an underweight allocation and security selection in the energy sector. The underlying small-cap strategy also added value.

Japan and Pacific ex Japan equities contributed - Within Japan, a mid and small-cap growth strategy contributed to returns due to favorable positioning in the IT and industrials sectors. Within Pacific ex Japan, the underlying dividend-oriented strategy supported relative performance due to favorable positioning in industrials. Security selection in the real estate sector also added value.

### Fund Positioning

The Target Fund is managed using a team-based approach and aims to add value over the index, mainly via strategy selection (allocation selection) and, to a lesser extent, through tactical asset allocation (asset class selection). The Fund Manager selects underlying strategies by building asset class specific model portfolios, while their tactical allocation to asset classes is determined using proprietary quantitative models and qualitative inputs.

Portfolio updates - The Fund Manager added exposure to a mid-cap oriented Fidelity Global Future Leaders strategy during the quarter. They believe mid-caps have the ability to deliver strong absolute returns and represent the sweet spot for accessing growth while balancing risks. They also have high conviction in the underlying manager's stock picking ability.

Underweight in US in favor of emerging Asia - From a regional perspective, the Fund Manager is underweight US equities as risks remain with respect to reaching a deal on a further stimulus package and upcoming presidential elections. They have a positive view on emerging Asia given the effective containment of the virus compared to many developed economies. Unprecedented stimulus support, as well as the gradual re-opening of economies is an additional tailwind for the region. This is reflected in China's retail sales and capital expenditure, both of which are gaining momentum.

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