

As of November 27, 2020

**FUND FACTS**

<b>Classification</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU)</b>	PHP 111.969521
<b>Launch Date</b>	March 26, 2019	<b>Total Fund NAV</b>	PHP 162.13 Million
<b>Minimum Investment</b>	PHP 1,000	<b>Dealing Date</b>	Daily
<b>Additional Investment</b>	PHP 1,000	<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>	BlackRock Global Funds - World Financials 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> ATRAM Trust	0.81%	<b>Custodianship Fees</b> Deutsche Bank Citibank	0.00%	<b>External Auditor Fees</b> SGV and Co.	0.00%	<b>Other Fees</b> (Transaction Fees)	0.08%
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<sup>2</sup> As a percentage of average daily NAV for the month valued at PHP 142.23 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 companies predominantly involved in providing financial services.

**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 Financials Feeder Fundis 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.

**Sector Risk** The Fund is focused on financial-related sectors, primarily banks, insurance and asset management. The Fund also invests in financial technology, and may invest in real estate. Higher risks are incurred in investing in a sector.

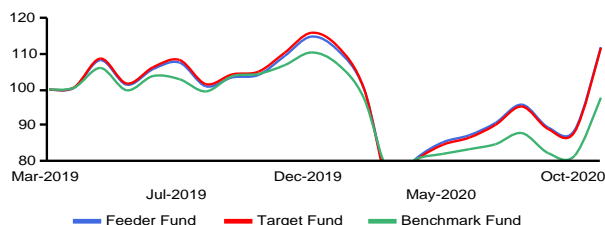
**Derivatives Risk** The Fund may use derivatives for hedging and investment purposes. However, usage will not be extensive and only for efficient portfolio management. The Fund may suffer losses from its derivatives usage.

**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 emphasis of the Target Fund's Investment Manager on risk management serves to meet their objective of generating excess return within a risk-controlled investment framework. BlackRock's Risk & Quantitative Analysis Group provides independent top-down and bottom up oversight and keeps the investment team continuously informed of a vast array of risk measures. This real-time analysis allows BlackRock to assess the potential impact of various decisions on the portfolio's risk profile. Risk management is incorporated through every step of the investment process, and is integrated with portfolio construction to assure adherence to the investment style and compliance with internal and external guidelines.

**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 November 27, 2020**  
(Purely for reference purposes and is not a guarantee of future results)



**NAVPU Over the Past 12 Months**

Highest	116.622116
Lowest	63.073590

**Statistics over the past 12 months**

Standard Deviation	42.32
Beta	1.26
Information Ratio	1.61

**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.

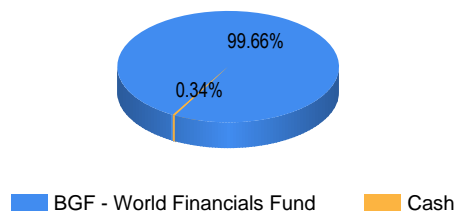
**Information Ratio** measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

**Cumulative Performance (%)**

	1 Mo	3 Mos	6 Mos	1 Yr	S.I.
FUND	26.53%	16.99%	31.60%	2.27%	11.97%
BENCHMARK*	20.14%	11.40%	19.39%	-8.62%	-2.33%

\*MSCI AC World Financials Index

**Portfolio Composition**



Fund Details (Target Fund)	
Name of Fund	BGF - World Financials Fund
Investment Manager	BlackRock (Luxembourg) S.A.
Fund Inception Date	March 03, 2000
Benchmark	MSCI AC World Financials Index
Base Currency	USD
Total Net Assets	656.73 M
Standard Deviation (3 Yr)	30.53
Beta (3 Yr)	1.30
Total Expense Ratio	1.82
ISIN Code	LU0106831901
SEDOL Code	5899883
Bloomberg Code	MERFSPA LX
Share Class	A2 USD

Cumulative Performance* (%) (Target Fund)					
	3 mos	YTD	1 Yr	3 Yrs	5 Yrs
Target Fund	18.80	0.63	6.13	4.63	9.15
Benchmark	11.56	-8.60	-5.24	-0.90	5.41

Investment Objective (Target Fund)
The Fund seeks to maximize total return. The Fund invests globally at least 70% of its total assets in the equity securities of companies whose predominant economic activity is financial services.

Asset Allocation (Target Fund)	
Asset Allocation	Equity: 98.91%
	Cash: 1.09%

Top Ten Holdings (Target Fund)	
Name of issuer	% of Total
AXA Sa	5.1
JPMorgan Chase & Co	5.0
Banco Bilbao Vizcaya Argentaria Sa	4.8
Capital One Financial Corp	3.8
Intesa Sanpaolo	3.5
American Express	3.5
Lincoln National Corp	3.4
Banco Do Brasil Sa	3.2
Wex Inc	2.9
Prudential Plc	2.9

Regional Exposure	
	% of Total
US	48.7
United Kingdom	9.0
France	5.1
India	4.8
Spain	4.8
Brazil	4.3
Italy	3.5
China	3.0
Mexico	2.3
Portugal	2.0

Sector Exposure	
	% of Total
Banks	33.7
Consumer Finance	19.3
Insurance	15.7
IT Services	13.6
Capital Markets	9.4
Diversified Financial Services	4.3
Thriffs & Mortgage Finance	1.8
Professional Services	1.1
Cash and/or Derivatives	1.1
REITs	0.0

## OTHER DISCLOSURES

The Fund is a feeder fund and will invest all or substantially all of its assets in the BlackRock Global Funds - World Financials 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 BlackRock BGF World Financial Fund Early Bird Bullets dated November 30, 2020)

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November 2020 Market Review:

Global Equity markets rallied over 12% in November on the back of positive COVID-19 vaccine news and resolution of the uncertainty around the US election.

Phase three trial results from three vaccine candidates (Pfizer/BioNTech, Moderna and Oxford/AstraZeneca) indicated significant positive efficacy sparking one of the sharpest rotations away from growth shares and into value shares on record.

Joe Biden won the US Presidential Election which resulted in strong performance from equity markets. The event marked history as Kamala Harris became the first woman and woman of color to become Vice President.

Financials significantly outperformed the broader market in November, as value sectors rebounded strongly on the back of positive vaccine announcements.

Performance Overview:

The Target Fund significantly outperformed the benchmark in November by returning +26.8%, net of A2 fees, compared to the +18.7% return for the index.

During the month, stock selection within banks was the top relative contributor to performance followed by strong stock selection within the insurance industry.

The top relative detractor to performance was mainly due to stocks within the IT Services industry. Stock selection within the consumer finance industry also detracted.

Stocks:

Banco Bilbao Vizcaya Argentaria (BBVA) was the top relative contributor during the month. Shares rallied sharply as value stocks rose significantly on the vaccine news highlighted above.

AXA, a French multinational insurance company, was another relative contributor. The company has exposure to potential business interruption claims, which has now been deemed less of a risk due to the positive vaccine news.

Paya Holdings, an American payment processing company, was a top relative detractor as shares pulled back following a strong October.

Boa Vista Servicos was another relative detractor during the month. The stock had a strong IPO, but the stock lagged in the market rally in November.

Changes:

The positive vaccine news announced during the month looks to be a game changer in the fight against COVID. In response, the portfolio shifted into companies geared to the "reopening of the economy" and companies that could potentially benefit from higher long-term US\$ interest rates.

In the reopening bucket, the Target Fund added to names that the Fund Manager believes could benefit from increased travel, hospitality growth and higher overall spending. These include payments companies such as American Express, Capital One, WEX and Network International Holdings.

In the names that the Fund Manager believes should benefit from higher US\$ long term interest rates bucket, the Target Fund added to the US Life Insurers such as Prudential and Lincoln National.

To raise capital for these additions, the Target Fund sold some of the major YTD outperformers which benefitted from both lockdown and historically low interest rates. These companies have great business models and are delivering healthy earnings growth, but valuations are above historical levels and there may be a lack of catalysts for a further re-rating. The Target Fund sold out of Repay, PayPal, Worldline, Blackstone and Yeahka.

Separately, the Target Fund entered a new position in Synchrony Financial, one of the largest private label credit card issuers in the US. The Target Fund also entered a new position in Alliance Data Systems (ADS), which provides private-label credit card financing and processing for private label and co-brand credit card programs.

Outlook and Positioning:

The Fund Manager sees a strong economic recovery in 2021 if the COVID-19 virus is under control. This should be driven by pent up demand as well as a remarkable combination of monetary and fiscal support. The Fed and other central banks around the world have cut policy rates to historically low levels and expanded quantitative easing to an extent not witnessed before. More importantly, governments have embarked on the most aggressive fiscal expansion that they have seen.

The Target Fund is tactically positioned to benefit from a recovering economy via its overweight exposure to undervalued consumer credit companies in developed markets which are not particularly rate sensitive.

The Fund Manager sees a continued rally in the equity market driven by the potent combination of economic recovery, fiscal expansion and ultra-low interest rates.

The Target Fund is tactically positioned to benefit from stronger equity markets via its overweight exposure to capital markets plays, both in banking as well as in wealth / asset managers.

The Target Fund is tactically underweight developed market banks as, broadly speaking, revenue growth will be subdued on the back of lower margins (particularly US\$ based banks driven by lower rates) and anemic loan growth.

Structurally, the Fund Manager is overweight FinTech due to faster top line growth with less earnings cyclicality driven by secular digitalization trends and the forecast of longer-term disruption.

The Fund Manager is also structurally overweight Emerging Markets due to cheap valuations, faster top line and bottom-line growth and long-term structural growth associated with financial inclusion.

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