

ATRAM GLOBAL MULTI-ASSET INCOME FEEDER FUND  
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



www.atram.com.ph

As of September 30, 2020

FUND FACTS

<b>Classification</b>	Balanced Fund	<b>Net Asset Value per Unit (NAVPU)</b>	PHP 101.732736
<b>Launch Date</b>	April 30, 2019	<b>Total Fund NAV</b>	PHP 4,932.23 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, Unit-Paying Feeder Fund	<b>Target Fund</b>	JPMorgan Multi Income 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	1.04%	<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)	0.01%
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<sup>2</sup> As a percentage of average daily NAV for the month valued at PHP 4,846.69 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 income and long-term capital growth by investing all or substantially all of its assets in a collective investment scheme that invests primarily in global debt securities and equities.

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 Multi-Asset Income Feeder Fund is suitable ONLY for investors who:**

- have a moderately aggressive risk appetite
- are comfortable with the volatility and risks of a balanced fund
- have a medium to long-term investment horizon
- are seeking to invest in global debt securities and equities

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.

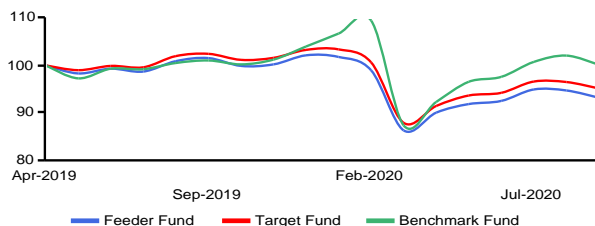
- THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/FLUCTUATIONS ONLY.
- WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY 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.

<b>Legal and Tax Risk</b>	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.
<b>Distribution Risk</b>	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.
<b>Equity Risk</b>	The Fund investments mainly in equity securities, the prices of which fluctuate daily, sometimes dramatically, which could result in significant losses.
<b>Dividend Paying Equity Risk</b>	There can be no guarantee that the companies that the Target Fund invests in and which have historically paid dividends will continue to pay dividends or to pay dividends at the current rates in the future.
<b>Interest Rate Risk</b>	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.
<b>Credit/Default Risk</b>	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.
<b>Region Risk</b>	The Fund may invest in emerging markets which increases potential volatility. Emerging markets are less developed and growth in the region is more uncertain.
<b>Derivatives Risk</b>	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.
<b>Hedging Risk</b>	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	102.293918
Lowest	79.993664

### Statistics over the past 12 months

Standard Deviation	14.44
Beta	0.88
Information Ratio	-2.75

**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*	-1.62%	0.74%	8.03%	-8.27%	-6.84%
BENCHMARK**	-1.92%	2.62%	14.70%	-0.92%	0.13%

\*Fund returns include the income paid out on distribution

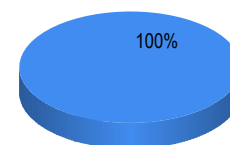
\*\*25% MSCI World Net USD Hedged, 15% MSCI EM Net, 40% Bloomberg Barclays US Corp 2% ICB Total, 20% JPM EM Bond Index Global Total

### Unit Income Distribution Information

Unit Income Payment date	Unit Income Per Unit Holding	Annualized Distribution Yield
21 May 2020	0.0043 units	5.13%
22 Jun 2020	0.0040 units	4.81%
22 Jul 2020	0.0038 units	4.56%
20 Aug 2020	0.0038 units	4.52%
18 Sep 2020	0.0038 units	4.54%

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



J.P. Morgan Multi Income Fund

Fund Details (Target Fund)	
Name of Fund	JPM Multi Income Fund
Investment Manager	JP Morgan Funds (Asia) Limited
Fund Inception Date	September 09, 2011
Benchmark	n/a
Base Currency	USD
Total Net Assets	4.33 B
Yield To Maturity	4.79
Duration	4.7 Yrs
Standard Deviation (3 Yr)	9.55
Sharpe Ratio (3 Yr)	0.08
Total Expense Ratio	0.86
ISIN Code	HK0000447604
Bloomberg Code	JPMICMU HK
Share Class	C MTH USD

Cumulative Performance* (%) (Target Fund)					
	3 mos	YTD	1 Yr	3 Yrs	5 Yrs
Target Fund	3.76	-3.68	-0.78	n/a	n/a

Investment Objective (Target Fund)
To maximize the income return primarily through investing in a diversified portfolio of income producing equities, bonds and other securities. In addition, the Fund aims to provide medium to long term moderate capital growth.

Asset Allocation (Target Fund)	
Asset Allocation	Fixed Income: 57.40%
	Equity: 34.70%
	REITs: 5.40%
	Cash and Others: 2.50%

Top Ten Holdings (Target Fund)	
Name of issuer	% of Total
Taiwan Semiconductor Manufacturing Co., Ltd. Sponsored ADR	1.4
Samsung Electronics Co., Ltd.	1.0
Tata Consultancy Services Limited	0.8
Coca-Cola Company	0.7
Verizon Communications Inc.	0.6
Merck & Co., Inc.	0.6
Roche Holding AG	0.6
AbbVie, Inc.	0.5
Ping An Insurance (Group) Company of China, Ltd. Class H	0.5
Bristol-Myers Squibb Company	0.5

Regional Exposure	
	% of Total
North America	65.3
Emerging Markets	14.5
Developed Europe	13.8
Developed Asia Pacific	3.9

Asset Class Breakdown	
	% of Total
Global Equities	32.5
High Yield Bonds	28.2
Non-Agency Securitized	12.9
Preferreds / Perpetuals	7.3
REITs	5.4
US Investment Grade Fixed Income	4.0
Global Infrastructure Equities	2.2
Convertible Bonds	2.1
Global Government Bond	1.3
Emerging Market Debt	1.0

## OTHER DISCLOSURES

The Fund is a feeder fund and will invest all or substantially all of its assets in the JPMorgan Multi 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 JPMorgan Multi Income Fund Monthly Commentary dated 30 September 2020)

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**Markets:** Over September, risk assets broadly sold off, led by the decline in growth stocks. Despite the underlying positive macroeconomic trends, markets got sidetracked by fiscal policy uncertainty, the US election and the path of COVID-19.

**Helped:** Non-Agency Securitized and Global Government Bond.

**Hurt:** Global Equity, High Yield, Emerging Markets Equity, Real Estate Investment Trusts (REITs) and Preferred Equity.

### Month in review

The recent inability of the executive branches of the US government to agree on further fiscal stimulus to support the economy hurt market sentiment. On the other hand, economic activity continued to recover. In the eurozone, consumer confidence for August remained at a low level compared to pre-pandemic levels. In the UK, the government announced a new job support scheme alongside a host of other measures to support the economy, as the initial furlough scheme came to an end.

The S&P 500 Index saw little downside since the first quarter but fell by 3.8% during September. The Fund Manager's equity allocation is favorably positioned for a market rotation towards higher dividend-paying stocks, which are trading at a historic discount in comparison to growth stocks. Against this backdrop, global high dividend yielding stocks and Europe high yielding stocks returned -1.9% and -0.9% respectively in local currency terms. Emerging market equities returned -1.6% in local currency terms. Elsewhere, Global REITs fell by 2.4% and infrastructure equity fell by 0.5% during the month.

US 10-year Treasuries ended the quarter with a yield of 0.7%, broadly flat over the quarter but down from 1.9% at the start of the year. The Fund Manager's credit allocations detracted from performance, with US high yield reversing some of the gains from the previous months. European high yield also suffered, due to the risk-off sentiment. Their non-agency securitized allocation functioned as a diversifier and delivered positive returns. The Fund Manager's hybrid allocation, preferred equities, marginally weighed on performance with the index returning -0.4%. Their convertible-bond allocation reversed some of the positive momentum from the second quarter; however, the asset class should further benefit from the elevated volatility as we move into year-end.

### Looking ahead

The final quarter of the year is expected to be particularly eventful, as we may know the outcome of the US election, whether a no-deal Brexit was avoided and whether US Congress has passed more fiscal stimulus. Most importantly, there is a good chance that we will get news on a vaccine. For now, the Fund Manager continues to believe the focus should be on diversification, both regionally and by asset class.

Above-trend growth is still expected, on average, through 2021, although most economies have made the transition to a more normal pace of early-cycle expansion after an explosive initial rebound. They are continuously monitoring daily data and economic conditions to remain active and pursue market opportunities as they present themselves.

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