

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



www.atram.com.ph

As of February 26, 2021

FUND FACTS

<b>Classification</b>	Equity Fund	<b>Net Asset Value per Unit (NAVPU)</b>	USD 2.227055
<b>Launch Date</b>	October 23, 2015	<b>Total Fund NAV</b>	USD 18.55 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>	Franklin Templeton Investment Funds - Franklin U.S. Opportunities 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>	0.83%	<b>Custodianship Fees</b>	0.00%	<b>External Auditor Fees</b>	0.00%	<b>Other Fees</b>	0.04%
ATRAM Trust		Deutsche Bank Citibank		SGV and Co.		(Transaction Fees)	

<sup>2</sup> As a percentage of average daily NAV for the month valued at USD 17.37 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 aims to achieve capital appreciation by investing all or substantially all of its assets in a collective investment scheme that invests principally in equity securities of US companies believed to possess sustainable growth characteristics. These include small, medium, and large capitalization companies with strong growth potential across a wide range of sectors that have exceptional growth potential and fast growing, innovative companies within these sectors.

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 US 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 US 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 invests solely in US markets which increases potential volatility. US markets have structural problems and may affect future prospects.

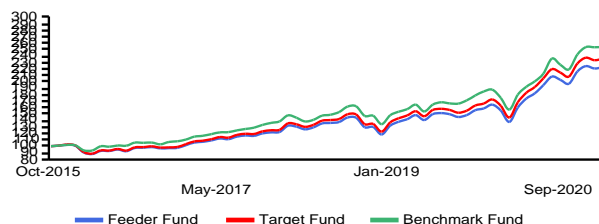
**Capitalization Risk** The Fund is focused on shares that have small to middle sized capitalization. Shares of this size have less liquidity and more uncertainty as to their growth potential. Sales and market gains could be less favorable than other equities.

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 February 26, 2021**

(Purely for reference purposes and is not a guarantee of future results)



**NAVPU Over the Past 12 Months**

Highest	2.397446
Lowest	1.220771

**Statistics over the past 12 months**

Standard Deviation	24.16
Beta	0.98
Information Ratio	-0.23

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

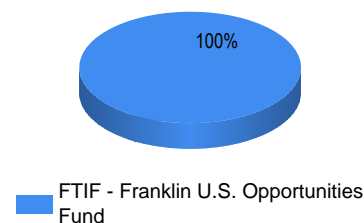
**Beta** of a fund measures its relationship with the benchmark. A beta of 1 means the fund's returns generally mirror the pattern of its benchmark's return. A zero beta means that the fund's pattern of return is completely unrelated with the benchmark; a negative beta indicates the choice of benchmark 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	0.90%	3.04%	6.96%	43.33%	71.03%
BENCHMARK*	0.20%	4.79%	7.67%	45.22%	76.44%

\* Russell 3000 Growth Index

**Portfolio Composition**



Fund Details (Target Fund)	
Name of Fund	FTIF - Franklin U.S. Opportunities Fund
Investment Manager	Franklin Templeton Investments Corp.
Fund Inception Date	April 03, 2000
Benchmark	Russell 3000® Growth Index
Base Currency	USD
Total Net Assets	7.69 B
Standard Deviation (3 Yr)	19.85
Beta (3 Yr)	0.99
Sharpe Ratio (3 Yr)	0.97
Total Expense Ratio	0.85
ISIN Code	LU0195948665
SEDOL Code	B020F24
Bloomberg Code	TEMAGIA LX
Share Class	I Acc USD

Cumulative Performance* (%) (Target Fund)					
	YTD	3 mo	1 Yr	3 Yrs	5 Yrs
Target Fund	-1.08	2.96	44.82	75.94	167.12
Benchmark	-0.17	4.71	45.22	76.44	171.88

Investment Objective (Target Fund)
The Fund aims to achieve capital appreciation by investing all or substantially all of its assets in a collective investment scheme that invests principally in equity securities of US companies believed to possess sustainable growth characteristics.

Asset Allocation (Target Fund)	
Asset Allocation	Equity: 99.41%
	Cash & Cash Equivalents: 0.59%

Top Ten Holdings (Target Fund)	
Name of issuer	% of Total
Amazon.com Inc	8.2
Microsoft Corp	4.5
Mastercard Inc	4.3
Apple Inc	3.5
Visa Inc	3.4
ServiceNow Inc	2.8
Alphabet Inc	2.5
Paypal Holdings Inc	2.1
Costar Group Inc	2.1
Twilio Inc	2.0

Market Capitalization	
	% of Total
<5.0 Billion	2.9
15.0-25.0 Billion	14.8
25.0-50.0 Billion	18.3
50.0-100.0 Billion	10.8
100.0-150.0 Billion	8.2
>150.0 Billion	40.5
N/A	4.5

Sector Exposure	
	% of Total
Information Technology	41.1
Health Care	17.3
Consumer Discretionary	14.8
Industrials	6.7
Communication Services	6.7
Financials	5.7
Consumer Staples	3.2
Real Estate	2.3
Materials	1.3
Others	0.5

**OTHER DISCLOSURES**

The Fund is a feeder fund and will invest all or substantially all of its assets in the Franklin Templeton Investment Funds - Franklin U.S. Opportunities 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 FTIF Franklin U.S. Opportunities Fund Manager Report dated February 28, 2021)

---

### ONE-MONTH KEY PERFORMANCE DRIVERS

The Target Fund's underweighting in Apple versus the benchmark proved favorable for relative returns in the information technology sector. Rising bond yields and expectations of an economic rebound tempered technology stocks in general, which had performed well since the accelerated adoption of digital technologies during the pandemic.

Also, in the information technology sector, payment solutions provider Bill.com Holdings reported solid second-quarter financial results on the back of strong increases in subscription and traffic fee revenue. Bill.com has been a beneficiary of the growing need of smaller companies to switch to cost- and time-saving innovative technologies to stay competitive.

In the industrials sector, data analytics provider Verisk Analytics reported weaker-than-expected fourth-quarter 2020 financial results due, in part, to COVID-19 headwinds in its energy and financials businesses. Longer term, the Fund Manager believes growth for the company can come from increasing penetration of its existing client base; the development of new products; and expansion into adjacent markets through new customer segments and strategic acquisitions.

### Outlook & Strategy

US equity markets have continued to show resilience amidst periods of volatility as the COVID-19 vaccine rollout and the continuation of central bank stimulus add to the economic recovery. The Fund Manager is monitoring valuations and inflation readings for the potential effects of extraordinarily stimulative fiscal and monetary policies. They see valuations in the broader market as approaching fair value and expect future returns to be driven by earnings growth versus multiple expansion. Their inflation expectations remain low; however, signs of inflation may lead to increased market volatility. As active managers, they will seek to capitalize on volatility and take advantage of market weakness to build on their long-term investment themes.

Some of the biggest investment opportunities the Fund Manager sees involve digital innovation in industries beyond technology. The communication services and consumer discretionary sectors have been direct beneficiaries of the shift to working from home and e-commerce. They also see drivers of value creation in industries including health care, fintech (financial technology), consumer retail and manufacturing, with innovative technology bringing those industries up to speed and into a more competitive position for the global landscape.

The Fund Manager's focus is on finding what the Fund Manager views to be quality companies with robust competitive advantages, strong balance sheets and high free cash flows that can weather a severe economic downturn as well as increased market and economic volatility. The Fund Manager take a long-term view and see volatility as presenting potential opportunities to take advantage of what they consider good prices for excellent companies set to benefit from notable secular growth trends.

---