

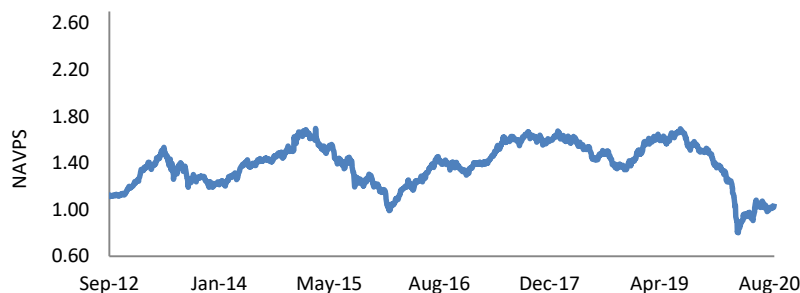
Investment Objective

The Fund's investment objective is growth through capital appreciation. The Fund seeks to deliver returns over the long term by investing primarily in equity securities, with a focus on companies with strong growth potentials which are not included in the Philippine Stock Exchange Composite Index (PSEi).

Fund Manager	ATRAM
Bloomberg Ticker	ALPHAOP PM
Inception Date*	17 September 2012
Currency	PHP
Fund Size	374.23 Million
NAVPS	1.0519
Domicile	Philippines
Asset Class	Equities
Reference Benchmark	MSCI Phil. Small Cap Index
Management & Distribution Fee	2.0% p.a.
Risk & Investor Profile	High Risk
Dealing Frequency	Daily

*Date of conversion from money market fund

Performance Overview



Cumulative Performance %

	1 Mo	1 Yr	3 Yrs	5 Yrs	YTD	Since TO
Fund	4.22%	-32.52%	-35.21%	-17.91%	-23.89%	-6.96%

Annualized Performance %

	1 Yr	2 Yr	3 Yrs	4 Yrs	5 Yrs
Fund	-32.52%	-16.15%	-13.47%	-7.30%	-3.87%

Calendar Year Performance %

	2016	2017	2018	2019	2020 YTD	Since TO
Fund	12.68%	20.94%	-9.77%	-4.08%	-23.89%	-6.96%
BM	15.88%	-0.62%	-17.03%	-1.93%	-37.27%	-29.56%
+/-	-3.19%	21.56%	7.26%	-2.15%	13.38%	22.60%

Note: Performance figures are net of fees and taxes. For calendar year returns, Dec. 31 NAVPS used.

Risk Adjusted Returns Statistics	1 Yr	3 Yr	5 Yr	Since TO
Risk Adjusted Return	-1.08	-0.60	-0.10	0.05
Information Ratio	1.03	1.21	0.93	0.33
Standard Deviation	30.95%	20.36%	19.50%	18.73%
Tracking Error	11.55%	7.82%	8.10%	10.10%

Note: Risk-adjusted returns and risk statistics are all annualized.

Manager's Review

The Philippine Stock Exchange Index (PSEi) was down 75 basis points (bps) month-on-month (MoM) to end the month at 5,884.18. The index traded the range around the 6,000 level for most of the month as investors continued to be wary of the economic recovery of the Philippines. Most of the news revolved around the re-imposition of the stricter Modified Enhanced Community Quarantine (MECQ) in Metro Manila for two weeks in the first half of August. This renewed concerns that the path to recovery may take even longer, as businesses continue to operate at a limited capacity. Despite the economy switching back to a General Community Quarantine (GCQ) for the second half of the month, continued restrictions on certain sectors such as transportation and movement further dampened sentiment. On the earnings front, 2Q20 earnings plunged for PSEi constituents by 79% year-on-year (YoY) as lockdown measures severely limited business mobility. For the month, investors continued to favor defensive names in the telecom and consumer sectors. Foreign selling continued to weigh the market down for the 10th month in a row, bringing year-to-date outflows to US\$1,711.04m. As for foreign exchange, the USD closed the month at PHP 48.485, down 1.35% MoM. The USD return on the PSEi year-to-date is -20.85%.

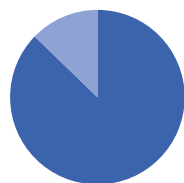
Fund Attribution & Positioning

The ATRAM Alpha Opportunity Fund was up 4.22% and outperformed the MSCI Philippine Small Cap by 2.96%. Underweights in Semirara Mining and Power Corporation (SCC -21.53% MoM) and Bloomberry Resorts Corporation (BLOOM -15.21%) were the main sources of outperformance for the month. SCC gapped down as there was another fatal accident in their mine in the Semirara Islands, and there were rumors that it will be replaced by Emperor Inc. in the PSEi rebalancing in August. BLOOM declined as fears of Metro Manila being put under a stricter form of quarantine would further delay its gambling operations.

Market Outlook

The latest corporate earnings print, which is a 52.2% drop in 1H20 earnings for PSEi, prompted us to downgrade our earnings growth forecast to -40.5% in 2020 and 45% in 2021. While this is broad based, we still see pocket of opportunities in deep value, high quality names where we see higher upside potential and stronger earnings rebound for 2021. August was a crucial crossroad as we were particularly concerned over the uncertainty of the depth of the permanent damage of the pandemic to the economy and the passage of sufficient fiscal stimulus. While the Accelerated Recovery and Investments Stimulus for the Economy (ARISE) bill did not gain traction, the sharp dip in the unemployment number from 17.7% to 10.0% in July indicates lower than expected damage to the labor market. The potential curve ball remains on the health side, where any resurgence or spike in COVID-19 cases can lead to a re-imposition of a tighter lockdown. While there are indications of a flattening infection curve, we remain cautious. In terms of portfolio positioning, we like consumer discretionary, industrials and select financial names but are also on the lookout for additional tactical opportunities that the market may provide to further enhance our risk and reward characteristics.

Composition of the Fund



■ Equities (87.24%)
■ Cash (12.76%)

Equity Sector Exposure

Retail	31%	Financials	3%
Power & Utilities	25%	Holding Firms	3%
Construction	14%	Consumer	2%
Gaming	6%	Others	2%

Top Ten Holdings

Holdings	Fund %
Puregold Price Club, Inc.	12.68%
Manila Water Company, Inc.	11.14%
Wilcon Depot, Inc.	9.24%
AC Energy Philippines, Inc.	8.15%
Bloomberry Resorts Corporation	6.15%
Philippine Seven Corporation	5.96%
First Gen Corporation	5.68%
EEl Corporation	4.76%
Megawide Construction Corporation	4.59%
Eagle Cement Corporation	4.59%

Monthly Performance %

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Year	Cumulative
2012									-0.87%	0.75%	1.74%	5.02%		6.71%
2013	7.89%	6.58%	0.04%	6.92%	-4.23%	-7.27%	4.97%	-8.85%	-0.89%	2.57%	-3.72%	-0.91%	1.36%	8.16%
2014	-0.04%	5.69%	-1.56%	9.86%	-1.52%	3.68%	1.36%	-2.30%	5.22%	2.20%	-0.30%	9.84%	36.02%	47.13%
2015	0.09%	-3.28%	-5.36%	-0.24%	-5.08%	-4.19%	4.85%	-11.61%	-6.08%	6.63%	-6.06%	-2.80%	-29.56%	3.64%
2016	-11.85%	5.46%	10.34%	-0.89%	4.61%	5.71%	5.07%	2.90%	-1.99%	-1.24%	-2.83%	-1.43%	12.68%	16.78%
2017	5.55%	-0.47%	2.55%	4.48%	7.20%	-0.55%	0.24%	2.23%	0.42%	-2.15%	-0.30%	0.40%	20.94%	41.23%
2018	3.18%	-3.02%	0.44%	-2.15%	-2.16%	-5.66%	1.25%	1.94%	7.73%	-0.49%	1.86%	2.95%	-9.77%	27.44%
2019	4.73%	4.39%	2.69%	-0.59%	1.07%	1.73%	-0.03%	-5.68%	-1.45%	-2.07%	-3.64%	-4.68%	-4.08%	22.24%
2020	-9.16%	-8.86%	-24.38%	11.63%	-1.53%	9.44%	-3.04%	4.22%					-23.89%	-6.96%

Fund Details

NAVPS publication	Trade date + 1
Types of shares	Common
Transfer Agent	ATRAM
Custodian	Citibank N.A. Manila
Fund Accountant	Deutsche Bank AG, Manila Branch
Auditor	SGV & Co.

Portfolio Analytics*

Percentage of Positive Months	48.96%
Average Gain in Positive Months	4.14%
Sharpe Ratio	-0.17
Correlation with Reference BM	0.86
Beta (relative to reference BM)	0.84
Jensen's Alpha (relative to reference BM)	2.31%
*Since launch	

Definitions

Beta of a fund measures its relationship with the benchmark. A beta of exactly 1 means that the fund's returns generally mirror the pattern of its benchmark's returns. A beta of greater than 1 means the fund will move in the same direction as the benchmark but by a greater amount. A beta of between zero and 1.0 implies that the fund's NAVps should generally move in the same direction as the benchmark, although in lesser magnitude. A beta of exactly zero implies that the fund's pattern of returns is completely unrelated to the movement of the benchmark's returns. A negative beta indicates that the choice of benchmark may be inappropriate, and that a different benchmark should be selected.

Correlation measures how closely the movements of two variables are synchronized with each other. The maximum attainable correlation of 1.0 means that a pair of variables moves in perfect lockstep, in the same direction and magnitude; at the other extreme, the minimum possible correlation of -1.0 denotes that a pair of variables moves as perfect mirror images; meanwhile a correlation of exactly zero implies that the variables behave completely independently of each other. In the analysis of investments, correlation compares the direction and magnitude of a fund's returns with the direction and magnitude of a reference benchmark's returns.

Information Ratio measures how much excess return over a reference benchmark's returns an investment has yielded relative to the variability of said excess returns over benchmark returns. Information ratio is computed as the ratio of the mean of the fund's excess returns over benchmark returns (i.e., the *relative return*) to the fund's tracking error (i.e., the *relative risk*).

Jensen's alpha is a measure of a fund's excess return over its expected return as computed using CAPM (Capital Asset Pricing Model). The expected return considers the benchmark return, the fund's beta and the risk-free rate of return. A value of 1% indicates that the fund beat its expected return by 1%.

Risk-adjusted Return measures how much *absolute return* an investment has yielded relative to the amount of *absolute risk* taken. Risk-adjusted return is calculated by dividing the mean (average) of a fund's return by the standard deviation of the fund's returns.

Sharpe Ratio is a measure of risk-adjusted performance and is defined as the ratio of excess return over the volatility of an investment. Excess return refers to the return of the investment over the risk-free rate of return. A higher ratio means better risk-adjusted performance.

Standard Deviation is a measure of how widely dispersed the fund's returns are away from the mean of the fund's returns. A basic and widely-used statistical concept, standard deviation is often employed as a measure of *absolute risk* in the analysis of investments.

Tracking Error is a measure of how widely dispersed the fund's excess returns over the reference benchmark's returns were with respect to the mean of the fund's excess returns over benchmark returns. Tracking error is computed as the standard deviation of the fund's excess returns over benchmark returns. Tracking error is a measure of *relative risk*.