

ATRAM GLOBAL TECHNOLOGY FEEDER FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



As of December 27, 2019

www.atram.com.ph

FUND FACTS

| | | | |
|-------------------------------|-------------------|---|---|
| Classification | Equity Fund | Net Asset Value per Unit (NAVPU) | PHP 135.743443 |
| Launch Date | 30 April 2018 | Total Fund NAV | PHP 735.34 M |
| Minimum Investment | PHP 1,000 | Dealing Day | Daily |
| Additional Investment | PHP 1,000 | Redemption Settlement | Trade Date + 5 Business Days ¹ |
| Minimum Holding Period | None | Early Redemption Charge | None |
| Structure | UITF, Feeder Fund | Target Fund | Fidelity Funds - Global Technology Fund |

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

FEES²

| | | | |
|--|--|---|---|
| Trustee Fees 0.23% ATRAM Trust | Custodianship Fees 0.00% Deutsche Bank Citibank | External Auditor Fees 0.00% SGV and Co. | Other Fees 0.00% (Transaction Fees) |
|--|--|---|---|

² As a percentage of average daily NAV for the quarter valued at PHP 806,195,307.37.

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 a collective investment scheme that invests principally in equity securities of companies throughout the world that derive or benefit significantly from technological advances and improvements.

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 Technology Feeder Fund is suitable only for investors who:

- have a high 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 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.

Market Risk. 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.

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

Counterparty Risk. 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.

Country Risk. 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.**

ATRAM Trust Corporation

8th Floor, 8 Rockwell Building, Hidalgo Drive, Rockwell Center, Makati City, 1210 Philippines
Trunkline: +63 8814-7892 or +63 8814-7835 | Fax: +63 8841-0315 | Email: customercare_trust@atram.com.ph

Foreign Currency Risk. 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 and its Target Fund. The Target Fund may avail of derivative instruments to hedge its foreign currency positions. Investors should note that the Fund is denominated in Philippine Peso and invests in a US dollar denominated share class of the Target Fund. The foreign currency position of the Fund (i.e. PHP vs USD) will not be hedged.

Liquidity Risk. 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.

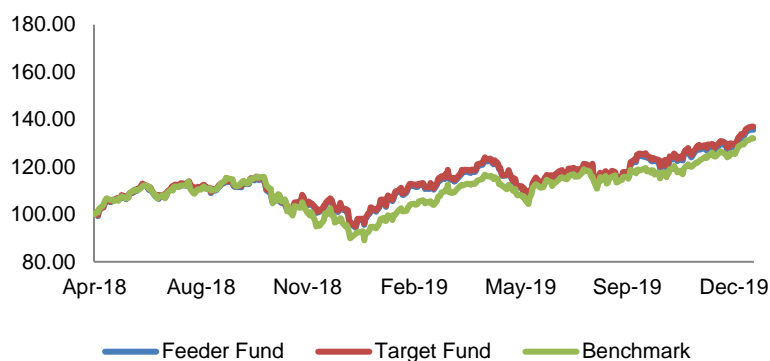
Hedging Risk. The Target Fund may use derivative financial instruments for hedging purposes. There is no guarantee that the effectiveness of a hedging instrument shall remain throughout the term of the underlying investment. Should the hedging instrument become ineffective, liquidating this based on market prices may result to market losses.

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.

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 December 27, 2019

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



NAVPU over the past 12 months

| | |
|---------|------------|
| Highest | 135.785493 |
| Lowest | 95.592908 |

Statistics over the past 12 months

| | |
|--------------------|--------|
| Standard Deviation | 17.18% |
| Beta | 1.12 |
| Information Ratio | -0.39 |

Cumulative Performance (%)

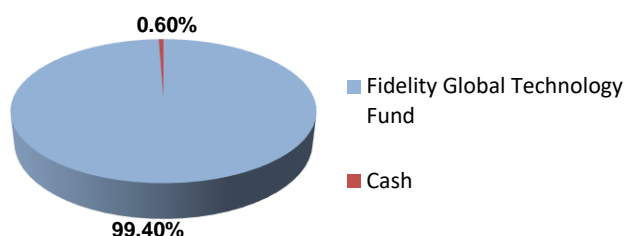
| | 1 Mo | 3 mos | 6 mos | 1 Yr | 3 yrs |
|------------|------|-------|-------|-------|-------|
| Fund | 4.69 | 11.04 | 16.88 | 39.04 | n/a |
| Benchmark* | 4.81 | 12.19 | 16.45 | 43.01 | n/a |

*MSCI AC World Information Technology

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.

Portfolio Composition



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.

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| Fund Details (Target Fund) | |
|----------------------------|---|
| Name of Fund | Fidelity Funds – Global Technology Fund |
| Share Class | A Acc USD |
| Investment Manager | FIL Investment Management (Luxembourg) S.A. |
| Fund Inception Date | 9 January 1999 |
| Benchmark | MSCI AC World Information Technology |
| Base Currency | USD |
| Total Net Assets | 6,032 M |
| Asset Allocation | Equities: 97.3% Cash: 2.7% |
| Standard Deviation (3 Yr) | 15.29% |
| Beta (3 Yr) | 0.92 |
| Sharpe Ratio (3 Yr) | 1.41 |
| Total Expense Ratio | 1.89% |
| ISIN Code | LU1046421795 |
| SEDOL Code | BKWPZH4 |
| Bloomberg Code | FFGTAAU LX |

| Cumulative Performance (%) (Target Fund) | | | | | |
|--|-------|------|------|-------|-------|
| | 3 mos | YTD | 1 Yr | 3 Yrs | 5 Yrs |
| Target Fund* | 13.0 | 43.6 | 43.6 | 87.1 | 137.6 |
| Benchmark | 14.5 | 46.9 | 46.9 | 96.1 | 127.1 |

| Investment Objective (Target Fund) |
|--|
| This fund aims to provide long-term capital growth by investing at least 70% in the shares of companies throughout the world that will provide, or benefit significantly from, technological advances and improvements in relation to products, processes or services. |

* Note: The Feeder Fund invests in the A-Accumulating-USD Share Class.

| Top Positions (Target Fund) | |
|-----------------------------|------------|
| Name of Issuer | % of Total |
| Samsung Electronics Co Ltd | 6.9 |
| Apple Inc | 5.8 |
| Alphabet Inc | 4.5 |
| Microsoft Corp | 3.8 |
| KLA Corp | 3.6 |
| Intel Corp | 3.3 |
| Western Digital Corp | 3.1 |
| SAP SE | 2.9 |
| IBM Corporation | 2.8 |
| Oracle Corp | 2.7 |

| Sector Exposure (Target Fund) | |
|-------------------------------|------------|
| Sector | % to Total |
| Information Technology | 68.6 |
| Communication Services | 20.7 |
| Consumer Discretionary | 4.1 |
| Industrials | 3.1 |
| Materials | 0.8 |

| Geographical Exposure | |
|-----------------------|------------|
| Country | % to Total |
| USA | 66.4 |
| South Korea | 8.3 |
| Japan | 5.9 |
| Germany | 5.0 |
| Taiwan | 3.4 |
| China | 3.3 |
| Netherlands | 2.2 |
| Sweden | 1.3 |
| United Kingdom | 0.7 |
| Russia | 0.4 |
| Others | 0.4 |

OTHER DISCLOSURES

The Fund is a feeder fund and will invest all or substantially all of its assets in the Fidelity Funds – Global Technology 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.

MARKET OUTLOOK (From the Fidelity Global Technology Fund Quarterly Performance Review dated 31 December 2019)

Global equities advanced in the fourth quarter as the US and China announced an agreement on a 'phase one' trade deal, easing tensions over the 18-month trade dispute that unnerved financial markets and hurt global economic sentiment. US equities also gained due to an accommodative monetary policy stance by the US Federal Reserve. The central bank cut interest rates for the third time in 2019 and signaled no change in 2020. European stocks delivered positive returns on a better than expected third quarter results season against lowered consensus expectations. Reduced political uncertainty following the Conservative Party's convincing majority in the UK elections added to the strength in UK and European stocks. Equities in export-oriented Japan registered an increase due to the yen's weakness against the US dollar and Prime Minister Shinzo Abe's announcement of a \$120 billion (¥13 trillion) fiscal stimulus package. The move should help the world's third-largest economy to overcome the aftermath of the recent natural disasters, alleviate the impact of the recent tax hike and survive a potential economic slowdown after an expected uplift during the summer Olympics. Emerging Market equities also rallied. Chinese equities advanced amid policy support measures implemented by the government and an indefinite delay of new tariffs by the US that were set to take effect during the quarter. The information technology (IT) sector generated strong positive returns and outperformed the broader market, driven by the robust performance of the technology hardware, storage & peripherals sub-sector.

The sector remains supported by structural trends, a still large number of companies trading at reasonable valuations, and earnings and balance sheet strength in many businesses. The potential US-China trade truce is also positive for the sector from a macro perspective.

The Target Fund's positioning in structural themes - rising internet and ecommerce penetration, electric vehicle uptake, artificial intelligence (AI) development, enterprise digitization, etc. has persisted, though they are now seeing more investable opportunities relating to 5G rollout. It remains overweight internet and gaming names and underweight areas like software and IT services, where there are now many names trading at very high multiples.

The Fund Manager bought a new position in Analog Devices, a diversified manufacturer of high-end analog semiconductors. The combination of network virtualization as a growing market theme, together with the roll-out of 5G is fueling significant development of new technologies, while resurgent datacenter demand bodes well for hardware and semiconductor vendors, as well as select cloud providers. Another new position added was in Uber Technologies post its recent sell off. At current valuations, the dominant global ridesharing platform with food delivery and freight brokerage businesses, offers upside as it is becoming much more focused on profitability.
