

ATRAM PHILIPPINE EQUITY LEADERS FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



As of October 31, 2024 www.atram.com.ph

FUND FACTS		A Units	I Units
Classification	Equity Fund	Net Asset Value Per Unit (NAVPU) PHP 1.2543	PHP 1.3207
Dealing Day	Daily	Total Fund NAV in PHP 604.72 Million	52.83 Million
Transaction Cut-Off Time	1:30 P.M.	Launch Date	May 07, 2020
Minimum Holding Period	None	Minimum Investment	PHP 1,000
Early Redemption Charge	None	Additional Investment	PHP 1,000
Structure	UITF, Multi-Class Fund	Redemption Settlement	T + 4 Business Days

FEES

	Trust Fees	Custody Fees	Accounting Fees	Audit Fees	Other Fees
A Units ¹	2.07%	0.01%	0.03%	0.02%	0.65%
I Units ²	1.03%				
	ATRAM Trust	Citibank	Citibank	SGV and Co.	(Transaction Fees)

¹ as a percentage of average daily NAV for the month valued at PHP 604,504,011.97

² as a percentage of average daily NAV for the month valued at PHP 54,710,434.78

INVESTMENT OBJECTIVE AND POLICY

The Fund seeks to pursue long-term capital growth by investing in a concentrated portfolio of stocks, with a focus on the companies included in the Philippine Stock Exchange Index ("PSEi"). Stock weightings in the Fund will not be based on index weights but more on the fund manager's outlook or conviction on how well a stock will outperform based on quantitative and qualitative considerations. The Fund may opt to invest in companies not included in the PSEi, depending on the fund manager's discretion.

The Fund shall primarily invest in shares of stocks listed on the Philippine Stock Exchange. These include but are not limited to common shares, preferred shares, REITs, and Exchange Traded Funds (ETFs). However, the Fund shall not be structured as a Feeder Fund nor a Fund-of-Funds.

The Fund may also invest in the following financial instruments:

- a) Deposit products;
- b) Securities issued or guaranteed by the Philippine government or by the BSP;
- c) Tradeable securities issued or guaranteed by multilateral institutions such as Asian Development Bank (ADB), International Monetary Fund (IMF) and World Bank;
- d) Marketable instruments that are traded in an organized exchange;
- e) Such other tradable investment outlets as may be allowed by the BSP.

The Combined Exposure Limit of the Fund to any entity and its related parties shall not exceed fifteen percent (15%) of the market value of the Fund or as may be prescribed by the BSP. The fifteen percent (15%) Combined Exposure Limit does not apply to the Fund's investment in securities issued or guaranteed by the Philippine government or by the BSP. However, exchange traded equity securities shall instead be subject to the Single Entity Exposure Limit of fifteen percent (15%).

• THE UITF IS A TRUST PRODUCT AND NOT A DEPOSIT ACCOUNT, AND IS NOT INSURED NOR GOVERNED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).

• THE UITF IS NOT AN OBLIGATION OF, NOR GUARANTEED, NOR INSURED BY ATRAM TRUST CORPORATION OR ITS AFFILIATES OR SUBSIDIARIES.

• DUE TO THE NATURE OF INVESTMENTS OF A UITF, THE RETURNS/YIELDS CANNOT BE GUARANTEED. HISTORICAL PERFORMANCE, WHEN PRESENTED, IS PURELY FOR REFERENCE PURPOSES AND IS NOT A GUARANTEE OF SIMILAR FUTURE PERFORMANCE.

- ANY LOSSES AND INCOME ARISING FROM MARKET FLUCTUATIONS AND PRICE VOLATILITY OF THE SECURITIES HELD BY THE UITF, EVEN IF INVESTED IN GOVERNMENT SECURITIES, ARE FOR THE ACCOUNT OF THE CLIENT. AS SUCH, THE UNITS OF PARTICIPATION OF THE CLIENT IN THE UITF, WHEN REDEEMED, MAY BE WORTH MORE OR WORTH LESS THAN HIS/HER INITIAL INVESTMENT/CONTRIBUTION.
- THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.
- THE INVESTOR MUST READ THE COMPLETE DETAILS OF THE FUND IN THE UITF'S PLAN, MAKE HIS/HER OWN RISK ASSESSMENT, AND WHEN NECESSARY, SEEK AN INDEPENDENT/PROFESSIONAL OPINION BEFORE MAKING AN INVESTMENT.

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 Philippine Equity Leaders 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 long-term investment horizon
- are seeking to invest in Philippine 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. ATRAM Trust adopts an active investment management strategy which incorporates market and fundamental research to help mitigate market risk.

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. ATRAM Trust only deals with reputable and financially stable accredited counterparties.

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. ATRAM Trusts invests the portfolio in very liquid securities in order to minimize liquidity risk.

Reinvestment Risk. 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.

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. ATRAM Trust keeps up to date on regulatory developments and consults tax and legal professionals on the interpretation of new laws and regulations.

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

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.

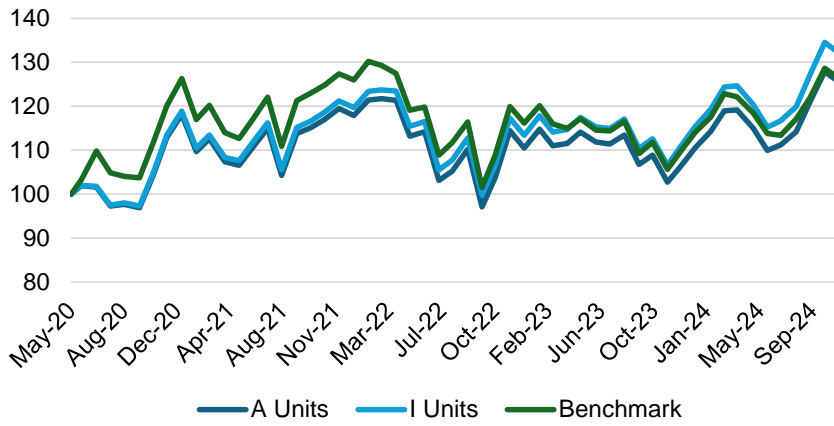
ATRAM Trust Corporation

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FUND PERFORMANCE AND STATISTICS as of October 31, 2024

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



NAVPU over the past 12 months		
	A Units	I Units
Highest	1.3295	1.3989
Lowest	1.0292	1.0679

Statistics over the past 12 months		
	A Units	I Units
Std. Dev.	11.50%	11.57%
Beta	1.03	1.04
Info. Ratio	0.97	1.70

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

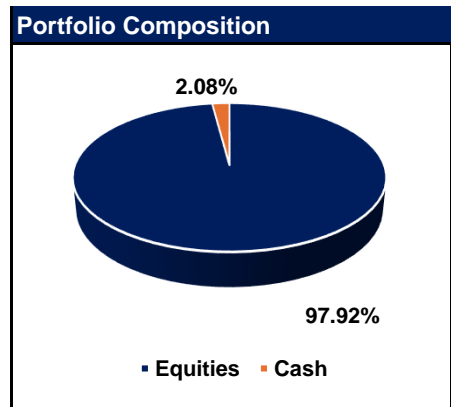
Beta of a fund measures its relationship with the benchmark. A beta of 1 means the fund's returns generally mirror the pattern of its benchmark's return. A zero beta means that the fund's pattern of return is completely unrelated with the benchmark; a negative beta indicates the choice of benchmark may 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	3 yrs
Fund*					
A Units	-1.92	9.86	9.04	22.12	7.20
I Units	-1.84	10.14	9.65	23.93	11.32
Benchmark**	-1.78	7.91	6.60	22.12	1.25

*The performance figures above include performance prior to the repurposing of the fund on 25 April 2024, from the legacy PRUInvest PHP Dynamic Equity Fund. Before this date, the performance was achieved under different circumstances.

**Philippine Stock Exchange Index (PSEi)



Top Holdings	
	% of Total
SM Investments Corp	12.58
International Container Terminal Services, Inc.	11.50
SM Prime Holdings Inc	11.05
BDO Unibank Inc	10.87
Ayala Land Inc	10.17
Bank of the Philippine Islands	8.20
Ayala Corp	7.72
Jollibee Foods Corp	6.17
Metropolitan Bank & Trust Co	5.95
China Banking Corp	3.65

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ABOUT THE BENCHMARK

Philippine Stock Exchange Index (PSEi)

The Fund aims to generate excess returns against the Benchmark through an enhanced index approach, combining the elements of passive and active management. The Fund keeps its tracking error close to that of the Benchmark and invests in the same stocks within the Benchmark, and therefore, the Benchmark reflects the risks of the Fund. The historical volatility of the Benchmark is above fifteen percent (15%) and is suitable for investors who have an aggressive risk profile.

The Benchmark is a free-float-adjusted market capitalization-weighted index of the 30 largest and most active common stocks. By gauging changes in the stock prices of select listed companies, the PSEi provides a snapshot of the market's overall condition. The base level of the PSEi was pegged at 1,022.045 points.

The PSEi, PSE Industry and Sectoral Indices and any other PSE Indices are designed, constructed, calculated and owned by The Philippine Stock Exchange, Inc. (the "PSE").

The "PSEi" mark is owned by and duly registered to the PSE. The PSE expressly disclaims and does not accept any liability for the results of any action taken on the basis of the Index or the use of the marks.

Without limiting any of the foregoing, in no event shall the PSE have any liability for any special, punitive, indirect, incidental or consequential damages (including, without limitation, lost profits), even if notified of the possibility of such damages.

The PSE is independent of the Trustee and has no direct relationship to the Trustee. For additional information on the PSEi, please visit their website, <https://edge.pse.com.ph/>.

OTHER DISCLOSURES

The Fund shall invest primarily in equity securities included in the Philippine Stock Exchange Index. The Fund may invest in exchange-listed equities and fixed income securities, securities issued or guaranteed by the Philippine Government or the BSP, tradable securities issued by any supranational entity, and deposit products. Subject to BSP guidelines, the Fund may also avail of financial derivative instruments solely for the purpose of hedging risk exposures.

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.

The cut-off time for subscriptions to/redemptions from the Fund may vary depending on the distribution channel clients use to transact or submit orders to. Regardless of the channel, the cut-off time will not be later than the cut-off time stated in this document. Investors should review the terms and conditions of their chosen channel for accurate information on transaction deadlines.

OUTLOOK AND STRATEGY

The Philippine Stock Exchange Index (PSEi) is down by 1.78% month-on-month (MoM) to close at 7,142.96. During the start of the month, we saw the PSEi at 7,604 highest intraday level of the year but we saw some profit taking at around that level. Investors became cautious ahead of the US election and the policy meeting of the US Federal Reserve (Fed). Geopolitical tensions in the Middle East initially drove up oil prices, a concern for the Philippines due to its heavy reliance on oil imports. The Bangko Sentral ng Pilipinas (BSP) responded by cutting interest rates by 25 basis points to 6.0% and signaled a potential further reduction in December. However, the peso weakened by 3.7% against the US dollar. Market sentiment deteriorated further as Fed officials indicated a potentially steeper interest rate path and the US election became increasingly uncertain, leading to a risk-off stance among investors. Average trading volume for the month was down 28% from \$134Mn to just \$97Mn.

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Foreign investors were Net foreign inflows reached \$22Mn in September. Year-to-date net foreign inflow of \$44Mn.

The ATRAM Philippine Equity Leaders Fund - A Units was down 1.92% MoM in October and underperformed its benchmark by 14 basis points (bps). Overweights in China Banking Corp (CBC +14.61% MoM) Century Pacific Food Inc (CNPFI +10.38% MoM) and AREIT Inc. (AREIT +6.56% MoM) were the main sources of outperformance for the month. Meanwhile underweights in Cebu Air Inc (CEB -8.76% MoM), SM Prime Holdings Inc (SMPH -5.11% MoM), and Ayala Land Inc. (ALI -10.66% MoM) were the main drags for the month.

The outcome of the US elections is set to create near-term volatility in the Philippine equities space as the market waits for the actual policies to be set. The indicative stance based on the prior policies back in 2016 and from messaging during the campaign shows potential tariffs which should mean higher inflation, stronger US dollar, higher yields, and monetary policy uncertainty. All these are negative for emerging markets, including the Philippines. We are likely to see foreign outflows as global investors de-risk emerging market positions amidst policy uncertainties. But the structural narrative for the Philippines, which is its domestically driven economy, and its ongoing growth recovery should provide some support. The valuation levels also continue to be undemanding. But as a hedge against the upcoming short-term volatility, we are maintaining some tactical cash position. We continue to favor deep-value and high-quality cyclicals in the banking, consumer, and conglomerate space that can benefit from the continued recovery of the Philippine economy.

ATRAM Trust Corporation is regulated by the Bangko Sentral ng Pilipinas with email address at
consumeraffairs@bsp.gov.ph.

For inquiries, you may also email us at customercare_trust@atram.com.ph

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