

ATRAM GLOBAL TECHNOLOGY FEEDER FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT



As of June 28, 2024

www.atram.com.ph

FUND FACTS

Classification	Equity Fund	Net Asset Value Per Unit (NAVPU)	PHP	329.365796
Launch Date	April 30, 2018	Total Fund NAV	PHP	7,501.93 Million
Minimum Investment	PHP 100	Dealing Day	Daily	
Additional Investment	PHP 100	Transaction Cut-Off Time	3:00 P.M.	
Minimum Holding Period	None	Redemption Settlement	Trade Date + 7 Business Days ¹	
Early Redemption Charge	None	Target Fund	Fidelity Funds - Global Technology Fund	
Structure	UITF, Feeder Fund			

¹ ATRAM Trust reserves the right to settle the Fund earlier, but not earlier than T+5 Business Days

FEES ²

Trust Fees	Accounting Fees	Audit Fees	Benchmark Fees	Other Fees
1.07%	0.01%	0.00%	0.01%	0.00%
ATRAM Trust	Deutsche Bank	SGV and Co.	MSCI	(Transaction Fees)

² as a percentage of average daily NAV for the month valued at USD 7,393,209,351.21

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 fund-of-funds.

INVESTMENT OBJECTIVE AND POLICY

The Fund seeks to achieve long-term capital appreciation by investing all or substantially all of its assets in an equity collective investment scheme that invests principally in equity securities of companies throughout the world that derive or benefit significantly from technological advances and improvements.

The Fund shall invest at least ninety percent (90%) of its assets in the Target Fund. The investment in the Target Fund shall not exceed ten percent (10%) of the total Net Asset Value of the Target Fund. 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%) exposure limit does not apply to the Fund's investment in the Target Fund and securities issued or guaranteed by the Philippine government or by the BSP. The foregoing exposure limits shall also apply to the underlying investments of the Target Fund.

The Fund may also invest in the following financial instruments:

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

• **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**

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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 Global Technology Feeder Fund is suitable only for investors who:

- have an aggressive risk profile
- are comfortable with the volatility and risks of an equity fund
- have a 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.

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.

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.

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.

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.

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.

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 may invest in emerging markets which increases potential volatility. Emerging markets are less developed and growth in the region is more uncertain.

Sector Risk. The Fund is focused on technology-related sectors, as well as sectors that leverage on technology. The more specific the respective sector/theme, the more limited the investment universe and the more limited the risk diversification might be.

The Fund also invests into sustainable themes. This could expose the fund to environmental, social or governance events or conditions that can have a material effect on the return, depending on the relevant sector, industry, and company exposure.

Sustainability Risk. The Fund is subject to sustainability risks - environmental, social or governance events or conditions that can have a material negative effect on the return, depending on the relevant sector, industry and company exposure.

Derivatives Risk. 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.

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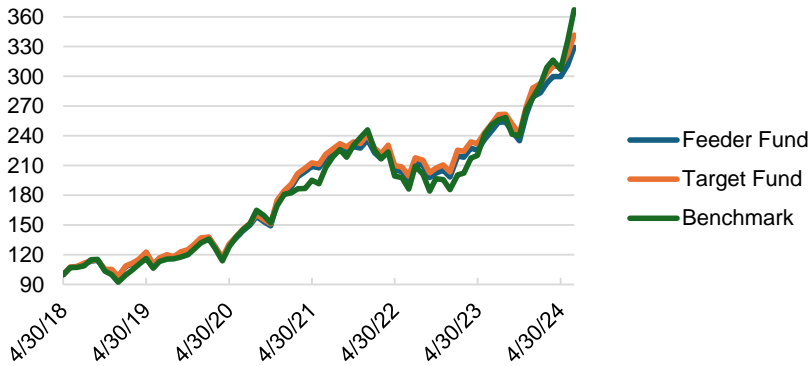
Hedging Risk. The Fund may use financial derivative instruments for hedging purposes. There is no guarantee that the effectiveness of a hedging instrument shall remain throughout the term of the underlying investment. Should the hedging instrument become ineffective, liquidating this based on market 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 June 28, 2024

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



NAVPU over the past 12 months	
Highest	329.365796
Lowest	232.822432

Statistics over the past 12 months	
Standard Deviation	14.25%
Beta	0.68
Information Ratio	-0.95

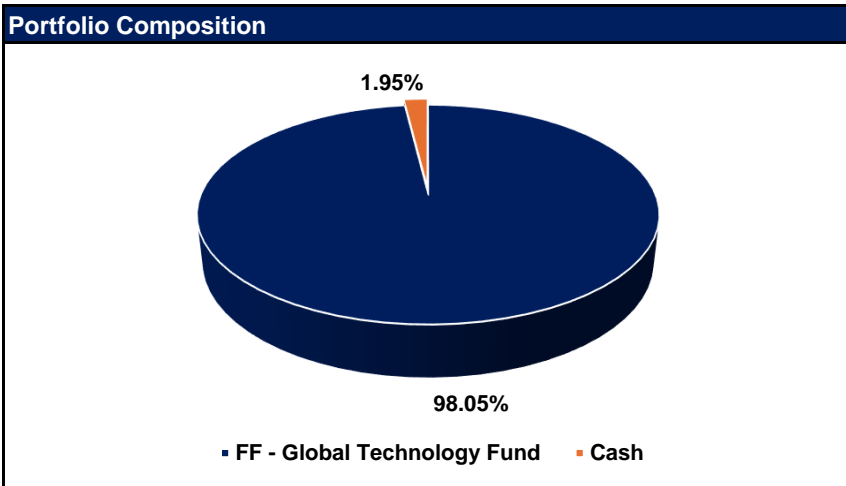
Standard Deviation measures how widely dispersed the fund's returns are away from the average return of the fund.

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	5.71	9.89	17.94	34.56	51.60
Benchmark*	9.32	16.05	32.10	46.18	76.62

*MSCI ACWI Information Technology Index



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Target Fund Details			
Name of Fund	FF - Global Technology Fund	Investment Manager	FIL Investment (Luxembourg) S.A.
Base Currency	USD	Fund Inception Date	September 1, 1999
Total Net Assets	23.46 B	Benchmark	MSCI ACWI Information Technology Index
Beta (3 Yr)	0.77	Sharpe Ratio (3 Yr)	0.28
Std. Dev. (3 Yr)	19.95%	Total Expense Ratio	1.19%
ISIN Code	LU1046421795	Bloomberg Code	FFGTAAU LX
Share Class	A Acc USD	SEDOL Code	BKWPZH4

Investment Objectives (Target Fund)

The fund aims to provide investors with long-term capital growth, principally through investment in the equity securities of companies throughout the world, that have, or will, develop products, processes or services that will provide, or will benefit significantly from, technological advances and improvements.

Cumulative Performance (% , USD Terms) (Target Fund)

	3 mos	YTD	1 yr	3 yrs	5 yrs
Target Fund	5.1	12	27.7	28.6	155.6
Benchmark	11.4	24.8	37.7	47.1	183.1

Asset Allocation (Target Fund)

Equity: 98.70%
Cash and Others: 1.30%

Top Ten Holdings (Target Fund)

Name of issuer	% of Total
Taiwan Semiconductor Mfg Co Ltd	6.5
Microsoft Corp	5.6
Apple Inc	5.1
Amazon.com Inc	3.6
Alphabet Inc	3.5
Samsung Electronics Co Ltd	3.4
Ericsson	3.2
Texas Instruments Inc	2.9
Workday Inc	2.8
Autodesk Inc	2.5

Regional Exposure (Target Fund)

	% of Total
United States	57.6
Taiwan	7.7
South Korea	4.9
China	4.6
Japan	4.3
Germany	3.8
United Kingdom	3.4
Sweden	3.2
France	2.6
Others	6.6

Sector Exposure (Target Fund)

	% of Total
Information Technology	63.1
Communication Services	10.7
Consumer Discretionary	9.5
Industrials	6.6
Financials	5.5
Energy	1.7
Real Estate	1.6
Consumer Staples	0.1

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ABOUT THE BENCHMARK

MSCI ACWI Information Technology Index, Net Dividends

The Benchmark should be used by investors to compare the performance of the Fund. The Benchmark reflects the objective of the Target Fund to achieve capital growth over the long term by primarily investing in equities of companies throughout the world that develop or will develop products, processes or services providing or benefiting from technological advances and improvements. 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 designed to represent performance of the full opportunity set of large- and mid-cap stocks across 23 developed and 24 emerging markets, with all securities in the index classified as part of the Information Technology sector as per the Global Industry Classification Standard (GICS®).

The MSCI ACWI is copyright of Morgan Stanley Capital International, Inc. (MSCI). GICS® is a joint sector classification standard developed by MSCI Limited and S&P Dow Jones Indices. The Trustee has a non-exclusive, non-assignable, non-sublicensable, revocable license granted by MSCI Limited to access and use of MSCI indices and GICS® for reporting purposes. MSCI, MSCI Limited, S&P Global Inc. and S&P Dow Jones Indices are independent of the Trustee and have no direct relationship to the Trustee. For additional information on the Benchmark, investors may visit their website at www.msci.com.

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.

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.

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

(from the Fidelity Global Technology Fund Monthly Performance Review dated June 2024)

Market Environment

Global equity markets advanced over the second quarter. Markets initially responded poorly to robust economic data from the US in April, concerned over an overheated economy reducing expectations for interest rate cuts. Positive momentum from Q1 2024 eventually caught up with soft/no landing hopes revived, driven by investor optimism surrounding policy easing as signs of cooling inflation in the US raised expectations of an interest rate cut as early as September. Against this backdrop, major regional indices ended in positive territory with the US emerging as the best performer as technology giants lifted major stock indices to all-time highs. Easing inflation led investors to increasingly price in rate cuts, while the US Federal Reserve (Fed) said it expects one rate cut by the end of the year. European equities underperformed as French political uncertainty overshadowed the European Central Bank's long-awaited first interest rate cut of the easing cycle. Japanese equities advanced in local currency terms, but uncertainties about the Bank of Japan's policy path weighed on investor sentiment, limiting market gains. Emerging markets outperformed developed markets, driven in part by China, and in particular, the Hong Kong market, which rallied as sentiment among international investors improved. At a sector level, information technology, driven by strong performance from semiconductor stocks, and communication

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services led the rally. Conversely, materials and real estate were among the notable laggards. Although the breadth of the market was sufficiently broad in absolute terms, the reality is that a select few names continued to lead the charge. Markets have progressed from the 'Magnificent 7' to just a handful of names that are propelling the market higher. From a style perspective, growth and quality stocks outperformed their value counterparts, while large caps fared much better than mid and small caps.

Fund Performance

The Target Fund (A-Euro) returned 5.9% during the quarter, compared to 12.2% for the comparative index.

The lack of exposure to Nvidia detracted from relative performance

The lack of exposure to semiconductor major Nvidia was the main detractor from relative performance during the quarter after it reported consensus-beating quarterly earnings in May, in a momentum-fueled market rally that saw a sharp and unusual rise in its market capitalization. While Nvidia's results expectedly beat consensus estimates and the company management continued with their bullish tone, the Fund Manager believes they did not represent as much of a positive surprise as in previous quarters.

Other notable detractors

Elsewhere, the underweight stance in consumer technology major Apple held back relative performance. While Apple's revenue fell for a fifth consecutive quarter, driven by the steepest decline in iPhone sales since the early days of the COVID-19 pandemic amid growing competition, the revenue drop came in ahead of consensus expectations, and the company's shares rose on news of a stock buyback and higher quarterly dividend. Meanwhile, shares in the payments processing group Adyen fell due to investor concerns about take-rate erosion despite the company meeting revenue expectations after processing more volume than anticipated.

Key contributors

The holding in Siemens Energy, a global leader in energy technology, contributed, supported by an improving outlook on restructuring measures. Google parent Alphabet was another leading contributor after it posted quarterly results that exceeded analysts' expectations.

Fund Positioning

So far this year, technology sector performance has been very narrow, with AI stocks being the dominant market theme. For the rest of 2024, the Fund Manager expects technology themes to broaden out, given the number of underappreciated opportunities in the value chain. Overall, they remain constructive on the sector, and their bottom-up stock-picking and disciplined investment approach will be critical.

Key focus areas

In terms of positioning, the Fund Manager has been taking profits in technology hardware and semiconductor names, areas where the Target Fund is underweight while buying software and services stocks. Semiconductor stocks, particularly Nvidia, have done very well over the past year on the back of the AI narrative and earnings upgrades but are now looking fully valued. The semiconductor names the Target Fund now owns such as TSMC, Samsung Electronics, and Texas Instruments are large caps, with a diversified business model, and have relatively reasonable valuations. They feel that as the market increasingly focuses on AI, the value in software stocks has been overlooked. Software names have been weak on negative earnings revisions and cyclical concerns. There are fears of an AI disruption in the segment given AI's easier coding capabilities, which will lessen the need for developers and seat-based software. But in reality, the software environment is more complex, especially in the enterprise environment and enterprises cannot rely on black-box AI (AI systems whose internal mechanics are unclear or hidden from users and even developers). Software companies will likely use AI as a tool to monetize on top of existing software solutions.

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

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