PAMI ASIA BALANCED FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
As of October 30, 2020

BPI Investment Management Inc.

FUND FACTS			
Classification:	Balanced Fund	**Net Asset Value per Share (NAVPS):**	USD 1.0522
Launch Date:	October 1, 2011	**Total Fund NAV (Mn) :**	USD 8.59
Minimum Investment:	USD 200.00[1]	**Dealing Day:**	Daily up to 10:30 AM
Additional Investment:	USD 50.00[1]	**Redemption Settlement:**	Not more than 7 days
Minimum Holding	180 calendar days	**Early Redemption Charge:**	1.00%

FEES*		
Management & Distribution Fee: 2.00%	**Transfer Agency Fee:** 0.05%	**Custodian:** Citibank N.A.
BPI Investment Management, Inc[2]	BPI Investment Management, Inc[2]	**External Auditor:** Isla Lipana

INVESTMENT OBJECTIVE AND STRATEGY

The investment objective is to achieve capital growth and generate steady income by tapping into the growth potential of Asia.

CLIENT SUITABILITY

A client profiling process should 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 Prospectus of the Fund, which may be obtained from the Fund Manager, before deciding to invest.

The **PAMI Asia Balanced Fund** is suitable only for investors who:

- Are at least classified as **moderate** based on their risk profile.
- Have an **investment horizon of up at least seven (7) years.**

KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with some of the accompanying risks.

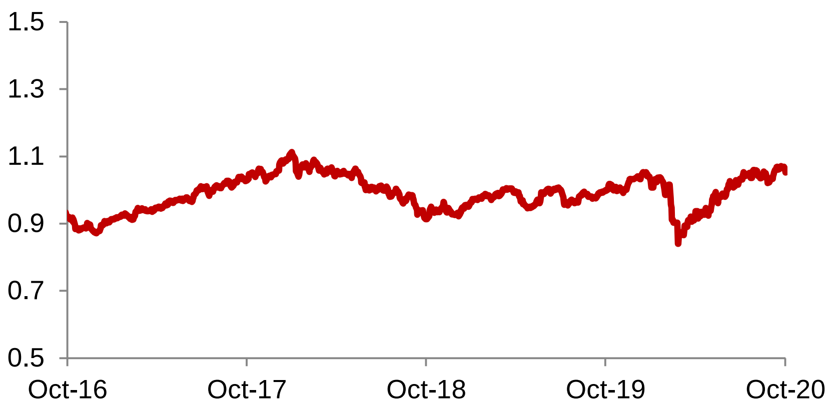
Market Risk:	The risk that movement in the financial markets will adversely affect the investments of the Fund. To properly manage market risk, various risk measurement methodologies are utilized to quantify the potential changes in portfolio value resulting from changes in security prices.
Interest Rate Risk:	The risk that the value of the portfolio will decline as interest rates rise (since bond prices and interest rates are inversely related). Interest rate risk is measured using duration and controlled through duration limits.
Liquidity Risk:	The risk that the investments of the Fund cannot be sold or converted into cash within a reasonable time or sale is possible but not at a fair price. A liquidity contingency plan is in place.
Credit Risk:	The risk that the bond issuer may not be able to pay its debt when interest payments and maturity falls due. Credit risk is minimized through diversification, establishment of investment and counterparty limits and through accreditation process of investment outlets.
Inflation Risk:	The risk the return of your investments will not keep pace with the increase in consumer prices. To mitigate inflation risk, the Fund Manager closely monitors inflation.
Reinvestment Risk:	The risk associated with the possibility of having lower returns or earnings when maturing funds or the interest earnings of funds are re-invested. Reinvestment risk is mitigated by closely monitoring interest rate trends.
Foreign Exchange Risk	This is the possibility for an investor to experience losses from a decline in fund value when the market value of fixed income securities, settled in any other currency, held by the fund are converted/translated to PHP. To mitigate foreign exchange risk, the fund manager closely monitors the movements in the spot market.

• THE MUTUAL FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORP. (PDIC).
• RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPS IS FOR ILLUSTRATION OF NAVPS 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 FUND MANAGER IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.

FUND PERFORMANCE AND STATISTICS AS OF OCTOBER 30, 2020

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

NAVPS GRAPH



Benchmark: 50% Markit IBOXX Asian Local Bond Index (ALBI) + 50% MSCI AC Pacific ex Japan

NAVPS over the past 12 months	
Highest	1.0713
Lowest	0.8397

PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	52.97
Fixed Income	43.73
Cash & Cash Equivalent (Net of Liabilities)[5]	3.30

CUMULATIVE PERFORMANCE (%) [3]

	1 mo	3 mos	1 YR	3 YRS	S.I. [4]
Fund	**1.83**	**1.77**	**5.43**	**2.36**	**17.35**
Benchmark	2.05	2.99	10.44	16.32	54.68

ANNUALIZED PERFORMANCE (%) [3]

	YTD	1 YR	3 YRS	5 YRS	S.I. [4]
Fund	**2.19**	**5.43**	**0.78**	**3.01**	**1.78**
Benchmark	7.10	10.44	5.17	7.41	4.55

CALENDAR YEAR PERFORMANCE(%) [3]

	YTD	2019	2018	2017	2016
Fund	**1.85**	**12.25**	**-10.76**	**20.58**	**-0.89**
Benchmark	5.90	15.22	-7.79	23.39	4.73

[1]Mutual Funds do not issue fractional shares.

[2]A wholly-owned subsidiary of BPI

[3]Returns are net of fees.

[4]Since Inception.

[5]Includes accrued income, investment securities purchased, accrued expenses, etc.

*The Prospectus is available upon request through branch of account.

TOP THREE FIXED INCOME HOLDINGS

Name	%
Alibaba Group Holdings-SP ADR	5.67
Fixed Rate Treasury Notes 01/10/2029	5.12
Tencent Holdings Ltd	4.25

OUTLOOK AND STRATEGY

Market Review. In October, the resurgence in Covid-19 cases with its consequences on the economy and the political uncertainty regarding U.S. elections drove to a decline in risk sentiment.

Indeed, the fourth quarter started well with equity moving up and U.S. fiscal stimulus dominating the news. Then, investors started to react to a mix of rising covid-19 cases, slowing economic data and politics on either side of the Atlantic. Risk sentiment deteriorated across asset classes: oil price dropped, equity moved in negative territory, especially in Europe and, Treasuries and gold failed to live up to their usual haven potential. However, Emerging Markets stocks have stepped in to take up the mantle.

Developed Markets and EM markets equities had diverging trends, the former underperformed the latter, which benefitted from a better management of the Covid-19 crisis and a strong recovery in China. The MSCI World Equity index experienced a -3.1% depreciation.

As the U.S. had a strong increase of Covid-19 cases and a dropping probability of a fiscal stimulus agreement prior the election, the S&P 500 fell by -2.7% over the month. The Nasdaq experienced a smaller drop, with a loss of -2.3%. In Europe, countries also experienced coronavirus caseloads and restrictions were enacted across the continent. Equities underperformed, with the MSCI Europe depreciated by -5.3% and the Euro Stoxx 50 was down by -7.3%. Among other developed markets, in Japan, the Nikkei 225 was in negative territory with -0.9%.

OUTLOOK AND STRATEGY

cont. In Asia, many indices delivered positive returns. Best performers were Philippines and Indonesia, posting respectively +7.8% and +5.3%. In India, the Sensex was up +4.1%. The Hong Kong Hang Seng experienced an appreciation of +2.8% while in contrast, the Shangai Composite was flat and returned +0.2. The South Korean KOSPI fell by -2.6% and among other few negative markets, the Malaysian Bourse -2.5% and the Thai SET dropped by -2.5% and -3.4% respectively.

U.S. gross domestic product beat the expectation by growing at a record 33.1% annualized rate in the third quarter. This record rebound was led by the gradual reopening of businesses and revitalized spending activity as quarantine eased. The U.S. yield curve moved higher and steepened, driven by the initial move to riskier asset at the beginning of the month and, by the improved growth prospects and anticipation of more fiscal stimulus in the second part of the month. The U.S. 2-year yield rose +3bps from +0.13% to +0.16%, and the U.S.-10 year yield started the month at 0.69% and finished at +0.88%. Similarly, the Eurozone posted fastest growth on record: the Eurozone economy grew by 12.7% in the third quarter of the year with many countries beating growth forecasts. The resurgence of Covid-19 started to disrupt the services sector, which has been more heavily impacted by the new stricter restrictions being implemented, with key businesses like tourism and consumer-facing activities suffering the most. German Bund experienced lower yields and curve flattening: having started the month at -0.52%, German 10-year yields fell steadily finishing October at -0.63%. German 2-year yields fell approx. 9bps to -0.80%. The JPM Emerging Markets Bond Index Plus Composite depreciated by -0.5%.

In currency markets, the dollar recovered as risk sentiment started to fall and the U.S. Dollar index gained +0.2%. The U.S. Dollar was weak against the Japanese Yen and the British Pound depreciating respectively by -0.8% and -0.2% whilst it appreciated by +0.6% against the Euro and +1.9% against the Australian Dollar. It generally depreciated vs the Asian currencies and notably the Chinese Renminbi strengthened by +1.5%. Emerging markets were flat with the JP Morgan Emerging Markets Currency Index unchanged during October.

Commodities broadly had a poor month with the Refinitiv/Core Commodity CRB index falling by -2.5% over the month driven by energy commodities. Oil continued to decline over the month, it was among the worst performers with the Brent posting -9.9%: further government shutdowns and the effects on the global growth hurt energy prices.