

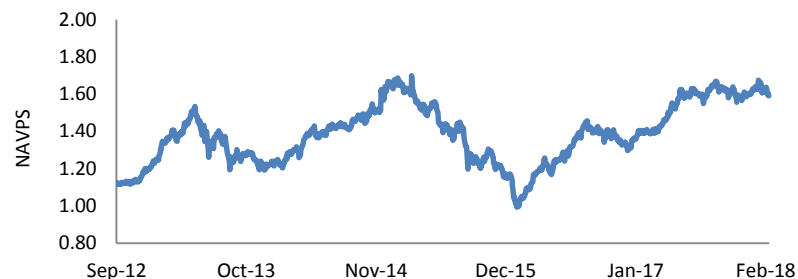
### Investment Objective

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).

<b>Fund Manager</b>	ATRAM
<b>Bloomberg Ticker</b>	ALPHAOP PM
<b>Inception Date*</b>	17 September 2012
<b>Currency</b>	PHP
<b>Fund Size</b>	441.10 Million
<b>NAVPS</b>	1.5979
<b>Domicile</b>	Philippines
<b>Asset Class</b>	Equities
<b>Reference Benchmark</b>	MSCI Phil. Small Cap Index
<b>Management &amp; Distribution Fee</b>	2.0% p.a.
<b>Risk &amp; Investor Profile</b>	High Risk
<b>Dealing Frequency</b>	Daily

\*Date of conversion from money market fund

### Performance Overview



### Cumulative Performance %

	1 Mo	1 Yr	3 Yrs	5 Yrs	YTD	Since TO
Fund	-3.02%	15.21%	-0.77%	15.18%	0.07%	41.33%

### Annualized Performance %

	1 Yr	2 Yr	3 Yrs	4 Yrs	5 Yrs
Fund	15.21%	21.12%	-0.26%	5.46%	2.87%

### Calendar Year Performance %

	2014	2015	2016	2017	2018 YTD	Since TO
Fund	36.02%	-29.56%	12.68%	20.94%	0.07%	41.33%
BM	22.76%	-11.78%	15.88%	-0.62%	0.54%	38.76%
+/-	13.26%	-17.78%	-3.19%	21.56%	-0.47%	2.57%

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	1.55	0.07	0.25	0.46
Information Ratio	2.91	0.13	0.10	0.04
Standard Deviation	9.49%	17.09%	16.78%	16.64%
Tracking Error	7.24%	9.72%	11.08%	10.68%

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

### Manager's Review

Philippine Stock Exchange Index (PSEi) corrected by 3.29% month-on-month (MoM) pushing year-to-date performance into negative territory. The index consolidated within the lower range between 8,400 and the 8,700 throughout the month before finally closing at 8,457.29. There was no significant catalyst to push the market higher as global risk sentiment remained muted while foreign funds consistently unloaded stocks. Foreign funds were net sellers of about USD295.60 million worth of stocks, reversing the net inflow in January and driving 2018 flows to a net outflow of USD250.40 million. The Philippine Peso (PHP) further weakened and ended the month at PHP52.10 per USD which was 1.57% and 4.35% weaker compared to the end of January and 2017, respectively. The USD return of the PSEi was -4.81% MoM.

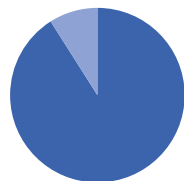
### Fund Attribution & Positioning

The ATRAM Alpha Opportunity Fund was down by 3.02% and underperformed its benchmark by 0.87% in February. Underweight positions Bloomberry Resorts (BLOOM) and a non-index bet in Xurpas Inc (X) were the main reasons for the relative underperformance. BLOOM was up by 17.26% MoM as the pick-up in Chinese tourists were seen by investors as further tailwind to the country's gaming sector. On the other hand, X was down 20.51% MoM as the company disclosed that it paid one of the sellers of the Art of Click a discounted price of PHP3.80 per share.

### Market Outlook

Investors' focus turns to the benefits (i.e. higher government and discretionary consumer spending) and costs (i.e. inflationary) of the recently passed tax reform package (1A). Policy divergence between major central banks (and the Bangko Sentral ng Pilipinas) and the changing relative country preferences have made the market more volatile than ever. Add the PSEi's premium over its ASEAN peers, and the ongoing company earnings releases and the picture has become more ambiguous compared to a year ago. However, we plan to utilize the volatility as an opportunity to add to our preferred names and deploy the tactical cash that we have accumulated. The fund's strategy overweight consumer discretionary, infrastructure and mining sectors. To fund this, we are underweight gaming firms and consumer staples.

Composition of the Fund



■ Equities (91%)  
■ Cash (9%)

Equity Sector Exposure

Property	17%	Gaming	9%
Construction	14%	Retail	8%
Power & Utilities	11%	Mining & Oil	7%
Consumer	10%	Others	14%

Top Ten Holdings

Holdings	Fund %
Vista Land & Lifescapes, Inc.	8.5%
Filinvest Land, Inc.	6.6%
First Gen Corporation	6.4%
Melco Resorts And Entertainment (Philippines) Corp.	5.6%
Megawide Construction Corp.	4.8%
Eagle Cement Corp	4.6%
Philippine Seven Corporation	4.4%
Nickel Asia Corporation	4.0%
Wilcon Depot, Inc.	4.0%
EEl Corporation	3.6%

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%											0.07%	41.33%

Fund Details

NAVPS publication  
Types of shares  
Transfer Agent  
Custodian  
Fund Accountant  
Auditor

Trade date + 1  
Common  
ATR AM  
Citibank N.A. Manila  
Deutsche Bank AG, Manila Branch  
SGV & Co.

Portfolio Analytics\*

Percentage of Positive Months  
Average Gain in Positive Months  
Sharpe Ratio  
Correlation with Reference BM  
Beta (relative to reference BM)  
Jensen’s Alpha (relative to reference BM)  
\*Since launch

51.52%  
4.30%  
0.23  
0.79  
0.82  
1.08%

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*.