

BANK OF COMMERCE – TRUST SERVICES DIVISION

**BANK OF COMMERCE DIVERSITY DIVIDEND FOCUSED FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the Quarter ended **6/30/2017**

FUND FACTS

Classification	Equity Fund	Net Asset Value per unit (NAVpu)	0.952537
Launch Date	April 8, 2015	Total Fund NAV	PHP 43,344,735.53
Minimum Investment	PhP 10,000.00	Dealing Day	11:30 AM
Minimum Additional	PhP 5,000.00	Redemption Settlement	T + 4
Minimum Holding period	30 days	Early Redemption Fee	5% on redeemed amount

FEES*

TRUSTEE FEE: 1.50% p.a. *As a percentage of daily NAV	CUSTODIAN FEE: N/A	EXTERNAL AUDITOR FEE: N/A	OTHER FEES: N/A
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INVESTMENT OBJECTIVE & STRATEGY

The Fund intends to achieve for its participants long-term capital growth and dividend income generation by investing in equity securities with a track record of dividend payment.

CLIENT SUITABILITY

The Bank of Commerce Diversity Dividend Focused Fund is suitable only for investors who:

- Have an AGGRESSIVE risk profile
- With an investment horizon of more than five (5) years

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.

Credit Risk/Default Risk. The possibility for an investor to experience losses due to a borrower's failure to pay principal and/or interest payments/amortizations in a timely manner on instruments such as bonds, loans, or other forms of security which the borrower issued.

Interest Rate Risk. The possibility that an investor may experience losses due to changes in interest rates.

Market / Price Risk. The possibility that an investor may experience losses due to changes in market prices of securities (e.g., bonds and equities).

Liquidity Risk: The possibility that an investor may experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.

Reinvestment Risks. The possibility that an investor may experience losses due to probable lower returns or earnings when maturing funds or the interest earnings of the Fund are reinvested.

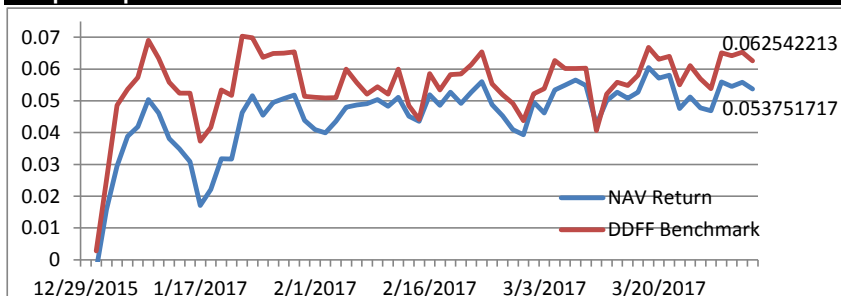
Country Risk. The possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries.

- **THE UIT FUND IS NOT A DEPOSIT AND NOT INSURED BY PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/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.**

For queries, contact us via email at trustmarketing@bankcom.com.ph
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FUND PERFORMANCE AND STATISTICS AS OF 06/30/17
(Purely for reference purposes and is not a guarantee of future results)

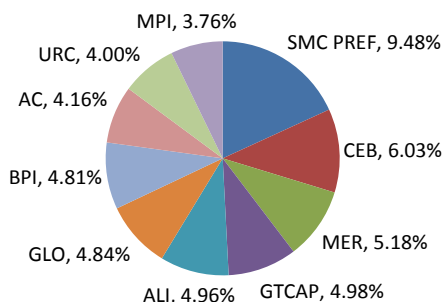
NAVpu Graph



Cumulative Performance (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	-0.1807%	5.7519%	-2.9583%	1.4555%	NA
Benchmark	1.5257%	4.7267%	-2.8785%	1.2949%	NA

Portfolio Composition



NAVpu over the past 12 months

Highest	0.975781
Lowest	0.093932

Statistics

Wtd. Ave. Duration	NA
Volatility, Past 1 Year*	0.56
Sharpe Ratio**	3.27
Information Ratio***	4.45

*Volatility measures fluctuation in yield.

**Sharpe ratio evaluates return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.

***Information ratio evaluates return-to-risk efficiency of the portfolio

Top Ten Holdings (%)

SMC PREF	9.48%
CEB	6.03%
MER	5.18%
GTCAP	4.98%
ALI	4.96%
GLO	4.84%
BPI	4.81%
AC	4.16%
URC	4.00%
MPI	3.76%

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has investments with San Miguel Corporation Preferred Shares amounting to **Php 4,170,000**. Such investments were approved by the Board and Trust Committee.

OUTLOOK AND STRATEGY

S&P Global Ratings has slashed its Philippine GDP forecast for 2017 from 6.6% to 6.4%. Its revised full-year growth forecast now mirrors the country's GDP print of 6.4% in 1Q17. For 2018, it maintained its projection of 6.4% while it projected an uptick in growth to 6.6% in 2019 and 6.7% in 2020. Despite the downgrade in forecast by the S&P, government agencies are still confident that the country will meet its full-year target growth of 6.5% to 7.5%. As reported, the government aims to improve in the public infrastructure projects in the remaining months, which was noticeably absent in the first quarter of the year and moving forward consistent with the government's target to spend equivalent to 5.3% of GDP in 2017 and up to 7.4% by 2022.

Local shares continued largely sideways trades amid lack of drivers and profit-taking by investors. In the absence of market movers, Philippine shares may continue to resort to bargain hunting or profit taking and still trying to set the tone of the upcoming quarterly results. The market has just been trading between 7,800 to 8,000. On the positive note, per market consensus, PSEI will end 2017 at 8,200 level.