



**LANDBANK**

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**LANDBANK EQUITY INDEX FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of 30 June 2019

**FUND FACTS**

Classification	: Equity Fund	Net Asset Value per Unit	: 1.004502
Launch Date	: 01 August 2016	Total Fund NAV	: PhP 118,046,792.71
Minimum Investment	: PhP 5,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: PhP 1,000.00	Redemption Settlement	: T + 3
Minimum Holding Period	: 30 Calendar Days	Early Redemption Charge	: 25% on the net earnings of the redeemed principal amount. At no instance shall the penalty be less than P500.00

**FEES**

Trust Fees	: <b>1.50%</b>	Custodianship Fees	: <b>n/a</b>	External Auditor Fees	: <b>n/a</b>
LANDBANK					
Miscellaneous Expense per Unit at 0.007401					

**INVESTMENT OBJECTIVE AND STRATEGY**

To generate long-term capital growth, to the extent possible, through investments mainly in peso-denominated listed equities comprising the Philippine Stock Exchange Index (PSEi). The fund is suitable for investors who are willing to take extra risk in order to avail of the higher investment returns offered by the equities market.

**CLIENT SUITABILITY**

A *client profiling process* should be performed prior to participating in the Fund to guide 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 LANDBANK Equity Index Fund is classified as a Equity Fund suitable only for investors who:

- Have an Aggressive risk profile
- Can accept the risk that the principal investment can be lost in whole or in part
- With an investment horizon of 5 to 7 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 risk of losses due to a borrower's failure to pay principal and/or interest in a timely manner on instruments such as bonds, loans, or other forms of security which the borrower issued.

**Reinvestment Risks.** The risk associated with the possibility of having lower returns or earnings when maturing funds or the interest earnings of funds are reinvested.

**Interest Rate Risk.** This is the possibility for an investor to experience losses due to changes in interest rates.

**Market/Price Risk.** This is the possibility for an investor to experience losses due to changes in market prices of securities.

**Inflation Risk.** The risk that the value of investment is lower than the rate by which the prices of goods and services go up.

**Liquidity Risk.** This is the possibility for an investor to 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.

- The Fund implements a risk management policy that applies the principles of Value-at-Risk (VAR) and Modified Duration. VaR is defined as a statistical estimate of the amount of loss that an "open" risk position is unlikely to exceed during a given time period with a given level of confidence. Modified Duration is a means to measure the change in the value of a security in response to a change in interest rates. The formula is used to determine the effect that a 1% change in interest rates will have on the price of the bond.
- The Fund's investment outlets have been subject to proper screening and evaluation in accordance with LANDBANK – TBG's accreditation process and minimum regulatory requirements.

**REDEMPTION CONDITIONS**

Surrender of the Confirmation of Participation; subject to penalty if redeemed before the minimum holding period. For Partial Redemption, remaining balance should not be less than minimum investment.

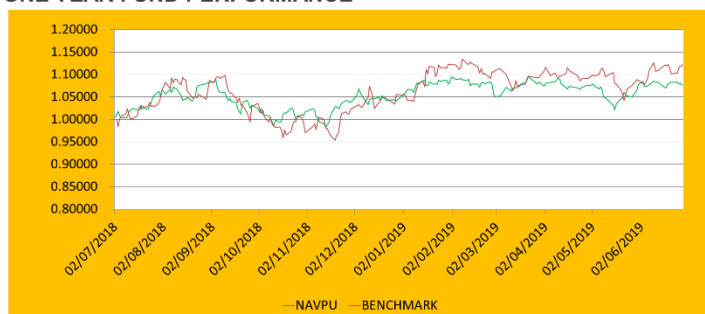
**DISCLOSURES**

- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE 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 more information, you can contact us:  
LANDBANK – TRUST BANKING GROUP

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**NAVPU GRAPH**  
**ONE YEAR FUND PERFORMANCE**

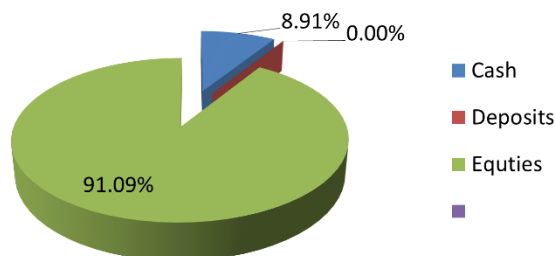


**CUMULATIVE PERFORMANCE(%)<sup>1</sup>**

Period	1 Mo	3 Mos	6 Mos	1Yr	3Yrs <sup>2</sup>
Equity Index Fund	1.04%	-0.33%	3.26%	7.54%	n/a
Benchmark <sup>3</sup>	2.08%	1.57%	7.15%	11.47%	n/a

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>Fund launch date 01 August 2016  
<sup>3</sup>Percentage change in the closing Philippine Stock Exchange Index (PSEi)

**PORTFOLIO COMPOSITION**



**NAVPU (Year-On-Year)**

Highest	1.023284
Lowest	0.917343

**STATISTICS**

Weighted Ave Tenor	0.01
Monthly Volatility	2.96%
Sharpe Ratio	0.11
Information Ratio	-0.15

<sup>1</sup>Only for the fixed-income investments portion of the portfolio.  
<sup>2</sup>Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield. (Not enough data. Fund launch date 01 August 2016)  
<sup>3</sup>Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk. (Not enough data. Fund launch date 01 August 2016)  
<sup>4</sup>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. (Not enough data. Fund launch date 01 August 2016)

**MAJOR ASSET HOLDINGS**

Issue	% of Port
AC	9.42%
SMPH	7.52%
URC	5.38%
MBT	4.21%
SM	3.98%
Total	30.51%

**RELATED PARTY TRANSACTIONS**

The Fund has deposits with LANDBANK amounting to P10,927,557.20, which is within the limit approved by the Board of Directors. Likewise, related parties transactions are conducted on an arm's length basis.

**FUND MANAGER'S REPORT**

Philippine GDP posted a four-year low of 5.6% growth rate in the first quarter of 2019. This was slower than the 6.5% recorded a year ago, and the 6.1% registered in the fourth quarter of 2018. Infrastructure spending basically took a hit from the delayed approval of the national budget, interrupting the course of major infrastructure projects. With the underspending, the first three months' average failed to reach the government's 6-7.0% target for the year (despite the target already revised lower by a notch). Moreover, in May, the S&P Global Ratings downgraded growth forecasts for the Philippine economy to 6.1% from the 6.3% made last April. The global debt watcher cited the effects of the budget impasse and the escalating trade tensions between U.S. and China. In relation to this, growth prospects weren't particularly bright in the global scene. Nonetheless, economic managers remain optimistic over expansion in the next three quarters of the year. The local central bank governor has also recognized efforts to sustain domestic economic resilience through the 'liberalization of trade and foreign direct investment'. Moreover, strong household consumption should fuel activity in the succeeding quarters as inflation continues to stabilize. The local stock index has been hovering in the 8,000 level amid this backdrop.

**VIEW STRATEGY**

The Fund Strategy is to accumulate underperforming stocks with rotational buying and selling on strength to minimize volatility due to foreign selling pressure on the local market.

**Contact Details**

For more information, visit, call or email  
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