



**LANDBANK**

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**LANDBANK MONEY MARKET FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of 31 March 2020

**FUND FACTS**

Classification	: Money Market Fund	Net Asset Value per Unit	: 1.163647
Launch Date	: 27 March 2012	Total Fund NAV	: PhP 244,893,888.07
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 + 1
Minimum Holding Period	: 7 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 : 0.0506%  
 Custodianship Fees : n/a  
 External Auditor Fees : n/a  
 Other Fees : 0.0014%  
 LANDBANK RTGS/Maintenance fee (LTNCD)

As a percentage of average daily NAV for the quarter valued at 262,457,004.83

**INVESTMENT OBJECTIVE AND STRATEGY**

The LANDBANK Money Market Fund aims to provide investors high liquidity and minimal risk but with decent returns on their capital from short-term fixed-income investments.

**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 Money Market Fund is suitable only for investors who:

- Have a Conservative Risk Profile
- With an Investment Horizon of < 1 year

**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 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.

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

- The Fund implements a risk management policy that applies the principles of Value-at-Risk (VaR). VaR is a measure of the likely volatility of earnings due to rate fluctuations in the market. It 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.
- 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

Tel. Nos. 405-7351; 405-7119; 405-7100; 405-7761  
Email: LBP\_TRUST@mail.landbank.com

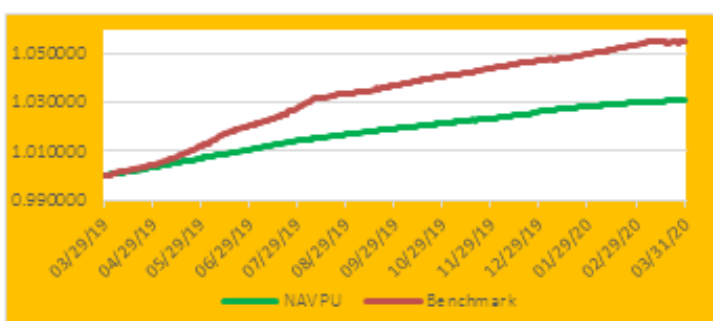
## Fund Performance and Statistics as of 31 March 2020

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

## MONEY MARKET FUND

### NAVPU GRAPH

#### ONE YEAR FUND PERFORMANCE

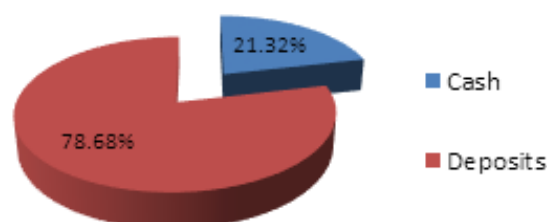


#### CUMULATIVE PERFORMANCE (%)<sup>1</sup>

Period	1Mo	3Mos	6Mos	1Yr	3Yrs
Money Market	0.10%	0.44%	1.14%	3.09%	7.90%
Benchmark <sup>2</sup>	0.10%	0.72%	1.71%	5.48%	3.29%

<sup>1</sup>Real performance is not indicative of future performance.  
<sup>2</sup>Bloomberg Philippine Sovereign Bond Index Money Market.

### PORTFOLIO COMPOSITION



### NAVPU (Year-On-Year)

Highest	1.163647
Lowest	1.128768

### STATISTICS

Weighted Ave Tenor	0.06
Monthly Volatility	1.23%
Sharpe Ratio	0.30
Information Ratio	-1.23

<sup>1</sup>Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.  
<sup>2</sup>Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.  
<sup>3</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.

### MAJOR ASSET HOLDINGS

Issue	Maturity	% of Portfolio
Deposits	5/19/2020	11.04%
Deposits	4/27/2020	11.04%
Deposits	4/14/2020	8.99%
Deposits	4/27/2020	8.99%
Deposits	4/15/2020	6.95%
<b>Total</b>		<b>47.00%</b>

### RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to PhP37,000,000.00 which is within the limit approved by the Board of Directors. Likewise, all related parties transactions are conducted on an arm's length basis.

### FUND MANAGER'S REPORT

At the onset, the outlook for interest rates at the start of the year was to fall and exhibit downward bias. This was due to the fact that the global economy wasn't doing particularly well. Among the major economies, only the U.S. and China were churning out positive growth rates. The Eurozone and Japan, and the global economy at large were not in the pink of health. Hence, the depressed state of these economies called for stimulative monetary policies to speed up growth. Quantitative easing would render interest rates in Japan and the Eurozone very low or even negative. Global bond investors would have to search for higher yields elsewhere in the world and in the process of doing so, drive global interest rates lower. Then, out of nowhere, and without warning, the Corona virus emerged from China. It would literally halt economic activity across the globe and necessitate more massive monetary and fiscal policies to keep economies afloat. With this, an ultra-low global interest rate regime has dawned. The only question that needs to be determined is how long this will last.

### VIEW STRATEGY

Not subject to mark-to-market valuation, plain money market funds have only one sensible strategy. And that is to get fully invested in the highest available interest-bearing deposit arrangements with the maximum one-year portfolio duration always observed. Hence, the fund will endeavor to clinch the highest specially arranged interest rates available in the market.

### Contact Details

For more information, visit, call or email

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Unit Investment Trust Funds (UITFs) are not deposit accounts or an obligation of, or guaranteed, or insured by the Land Bank of the Philippines or its affiliates or subsidiaries and, therefore, is not insured or governed by the Philippine Deposit Insurance Corporation (PDIC). Due to the nature of investment, yields and potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the Fund, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the UITF, when redeemed, may be worth more or be worth less than his/her initial investment/contributions. Historical performance, when presented, is purely for reference purposes and not a guarantee of similar future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence.