



LANDBANK

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LANDBANK EQUITY FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 September 2020

FUND FACTS

Classification	: Equity Fund	Net Asset Value per Unit	: 0.758680
Launch Date	: 01 August 2016	Total Fund NAV	: PhP 94,668,898.16
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 : 1.14%	Custodianship Fees : n/a	External Auditor Fees : n/a	Other Fees : 0.58%
LANDBANK			PDTC fee/Brokers commission

As a percentage of average daily NAV for the quarter valued at 94,690,527.17

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* shall 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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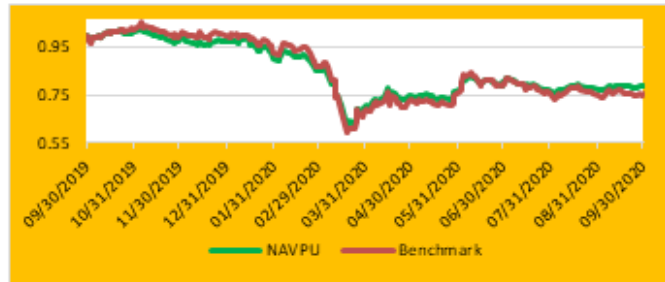
Fund Performance and Statistics as of 30 September 2020

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

EQUITY FUND

NAVPU GRAPH

ONE YEAR FUND PERFORMANCE



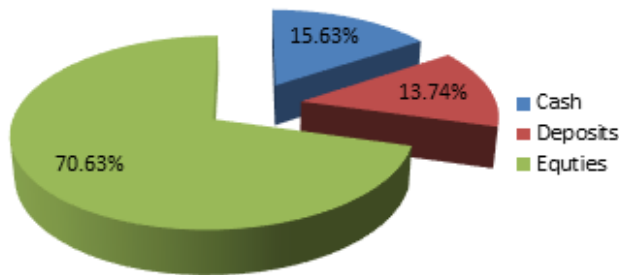
CUMULATIVE PERFORMANCE(%)¹

Period	1 Mo	3 Mos	6 Mos	1Yr	3Yrs
Equity Index Fund	1.06%	-1.75%	12.54%	-21.30%	-29.51%
Benchmark ²	-0.34%	-5.53%	10.20%	-24.62%	-28.23%

¹ Past performance is not indicative of future performance.

² Percentage change in the closing Philippine Stock Exchange Index (PSEI).

PORTFOLIO COMPOSITION



RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to P27,801,518.64, 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

Generally poor second quarter corporate earnings results pulled down Philippine equities. Even though lockdown restrictions were eased in parts of the country, the Philippine Stock Exchange index (PSEI) still fell by 5.56% in Q3 as the Covid-cases kept steadily rising. The index ended the quarter at 5,884.23 and the last time it was at this level was in December 2013. Still, the market would likely struggle to stage a sustained rally as the 19.5x price-to-earnings valuation at this juncture, is not exactly cheap. Recovery from the very deep 18.5% economic contraction in Q2 will be painfully slow. That said, a lot of bearish trading sessions are still to be expected. The investment posture would have to be defensive.

VIEW STRATEGY

With a lot more downside expected, the appropriate strategy would be to keep averaging costs down. Nevertheless, vigilance cannot be overemphasized as an effective vaccine may be just around the corner. Although earnings recovery will still lag, an effective vaccine would serve as impetus for a firm rally, but not a bull run.

NAVPU (Year-On-Year)

Highest	0.997207
Lowest	0.600212

STATISTICS

Weighted Ave Tenor	0.04
Monthly Volatility	6.67%
Sharpe Ratio	-0.29
Information Ratio	0.20

¹ Only for the fixed-income investments portion of the portfolio.

² 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)

³ 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)

⁴ 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
SMPH	4.30%
MEG	4.05%
RLC	3.91%
JFC	3.80%
MBT	3.79%
Total	19.85%

Contact Details

For more information, visit, call or email

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Trust Banking Group

Your Stewards for Growth and Good Governance

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.