



LANDBANK

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LANDBANK GROWTH FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2021

FUND FACTS

Classification	: Balanced Fund	Net Asset Value per Unit	: 2.400116
Launch Date	: 24 March 2006	Total Fund NAV	: PhP 92,813,705.99
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	: 0.662%	Custodianship Fees	: 0.001246%	External Auditor Fees	: n/a	Other fees	: 0.029149%
LANDBANK		Standard Chartered				RTGS/ Maintenance Fee (LTNCD)/ PDTTC Fee/Brokers commission	

*As a percentage of average daily NAV for the quarter valued at PhP 88,852,703.43

INVESTMENT OBJECTIVE AND STRATEGY

To generate capital growth while maintaining a steady stream of income through a combination of diversified investments in peso-denominated listed equities and tradable fixed income securities. 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 and debt markets.

CLIENT SUITABILITY

A *client profiling process* shall be performed prior to participating in the Fund to guide prospective investors 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 Growth Fund is classified as a Balanced 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 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.

Liquidity Risk. 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.
- To maintain a balance in debt and equity, the Fund will correspondingly invest no more than 60% in equity securities traded in the PSE, including common stocks and preferred stocks of any market capitalization.

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.

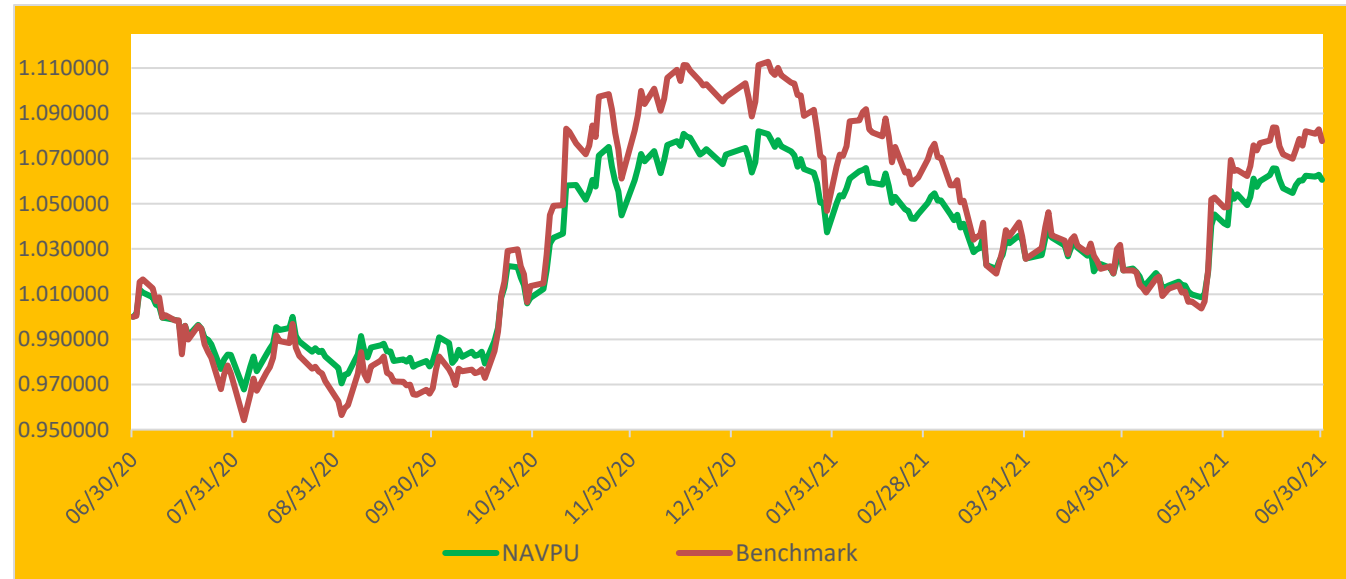
DISCLOSURES

- **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



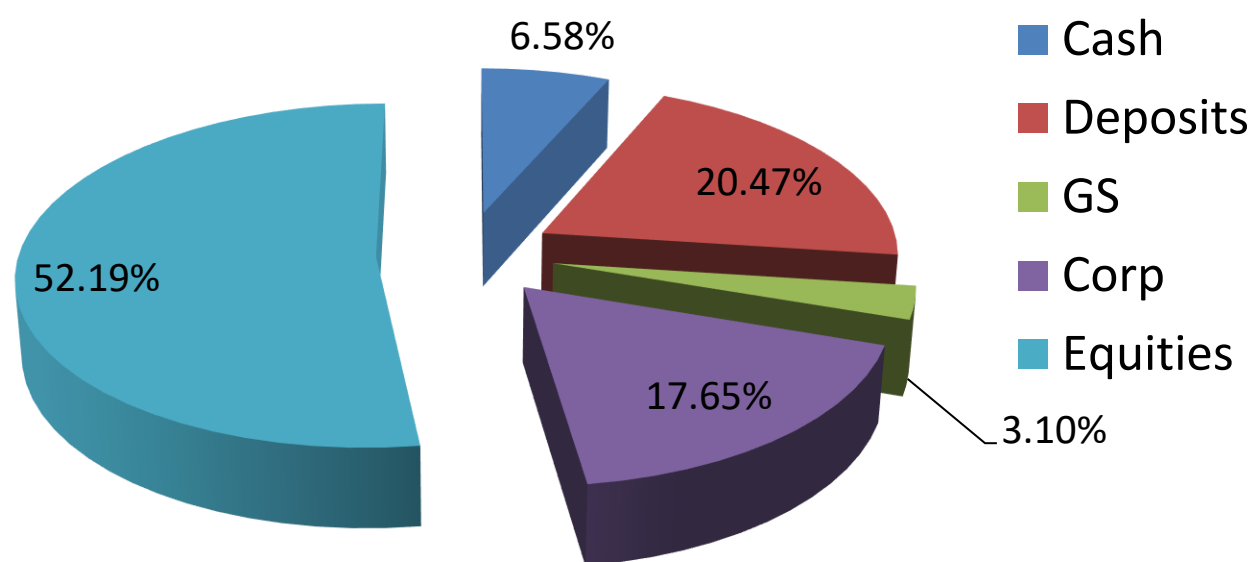
CUMULATIVE PERFORMANCE(%)¹

Period	1Mo	3Mos	6Mos	1Yr	3Yrs
Growth Fund	1.85%	3.40%	-1.05%	6.05%	4.80%
Benchmark ²	5.91%	4.07%	-1.89%	8.10%	6.63%

¹Past performance is not indicative of future performance

²Simple average of the percentage change in the Bloomberg Government Bond Index AI and Closing Philippine Stock Exchange Index (PSEI)

PORTFOLIO COMPOSITION



NAVPU (Year-On-Year)

Highest	2.448983
Lowest	2.190402

STATISTICS

Weighted Ave Tenor	1.30
Monthly Volatility	2.13%
Sharpe Ratio	0.20
Information Ratio	-0.18

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

²Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.

³Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.

⁴Information 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	07-Jul-21	5.39%
Deposits	21-Sep-21	5.39%
Deposits	20-Jul-21	4.31%
Deposits	31-Aug-21	3.23%
Total		18.32%

Equities

Issue	% of Portfolio
SM Investment Corp	4.7426%
Ayala Land Inc	4.2065%
SM Prime Holdings Inc	4.0860%
GTPPB	3.3454%
SMC2K	2.8913%
Total	19.2718%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to 18,110,514.54 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

The second quarter of 2021 provided some twists and turns in the financial markets. For fixed-income, rates were initially on the rise as the rapid progress in the U.S. vaccination program led to the early re-opening of the economy, which, in turn, churned out slew of good economic data. The vigorous economic activity stoked inflation and sent yields higher. Indeed, this was a picture of a healthy economic recovery. But Federal Reserve Chairwoman Powell had different things on mind. He was of the opinion that full economic recovery was still a long way off. Soon enough, bond traders would buy into this storyline and put their money where the Chairman's mouth was. As a result, the direction of rates made a U-turn and headed south. A mini bull-run for bonds ensued. As for equities, the PSE was quite lethargic in the early going as a gloomy atmosphere pervaded the market with the very slow roll-out of the country's vaccination program. Several economic downgrades from multilateral agencies and credit watchers didn't help to uplift sentiment. But as the sell-off intensified and stocks neared oversold levels, a falling wedge pattern was formed. And when the 5,900 major support was not breached stocks staged a spirited comeback ending the quarter above the 6,900 level.

VIEW STRATEGY

Too much uncertainty about the state of the global economy looms. And the Covid Delta variant has a lot to do with this. Given the foregoing, we shall continue to average costs down on our equity holdings and continue to shorten durations in fixed-income. Although rates are currently southbound, we see this as only a temporary phase. The global economic recovery may have suffered a set-back, but it will eventually get back to a sustainable track of long-term recovery. This will ultimately force major central banks to gradually tighten monetary policy and send interest rates higher.

Contact Details

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Visit our website:

<https://www.landbank.com/unit-investment-trust-fund>



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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.