



**LANDBANK**

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**LANDBANK MONEY MARKET FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of 30 June 2023

**FUND FACTS**

Classification	: Money Market Fund	Net Asset Value per Unit	: 1.213430
Launch Date	: 27 March 2012	Total Fund NAV	: PhP 261,932,345.09
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	: 0.050571%	Custodianship Fees	: n/a	External Auditor Fees	: n/a	Other fees	: 0.007755%
	LANDBANK						RTGS fee

\*As a percentage of average daily NAV for the quarter valued at PhP 258,176,298.88

**INVESTMENT OBJECTIVE AND STRATEGY**

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

**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 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 Risk.** 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 an 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 or submission of a Letter of Instruction and such other reasonable requirements which the TRUSTEE may require; subject to penalty if redeemed before the minimum holding period.

For Partial Redemption, remaining balance should not be less than minimum investment.

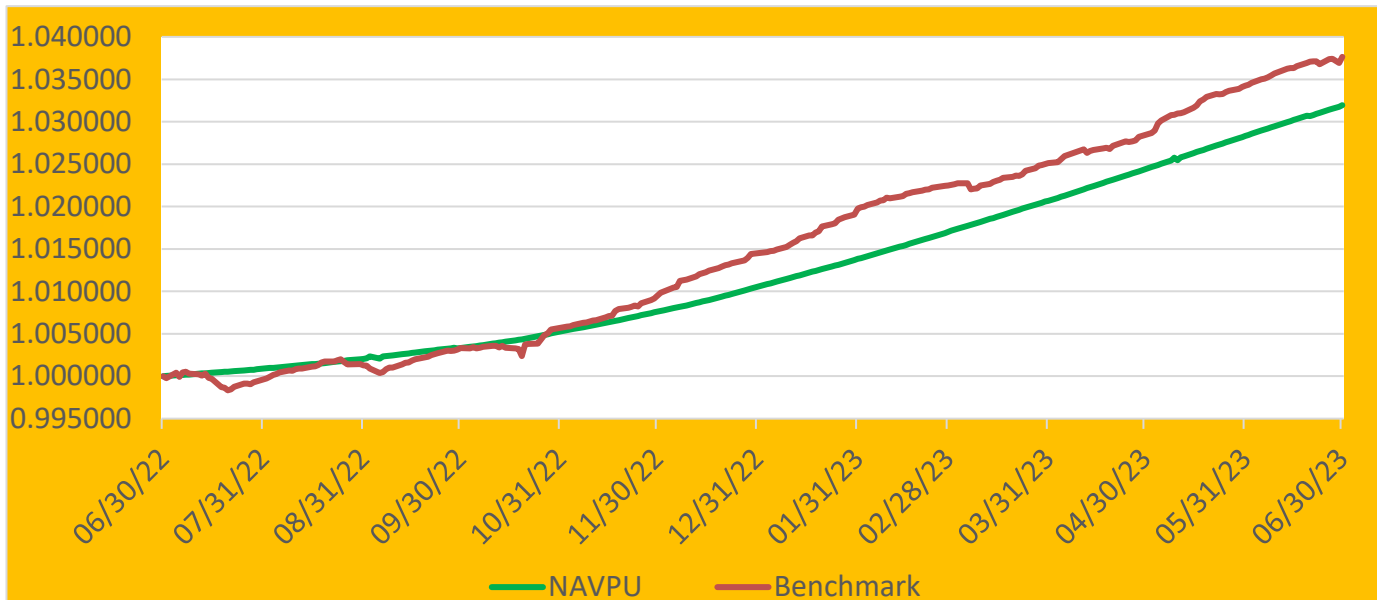
**DISCLOSURES**

- **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**
- **INVESTORS MUST READ THE COMPLETE DETAILS OF THE FUND IN THE PLAN RULES, MAKE HIS/HER OWN RISK ASSESSMENT, AND WHEN NECESSARY, HE/SHE MUST SEEK INDEPENDENT/PROFESSIONAL OPINION, BEFORE MAKING AN INVESTMENT.**

For more information, you can contact us:  
LANDBANK TRUST BANKING GROUP

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

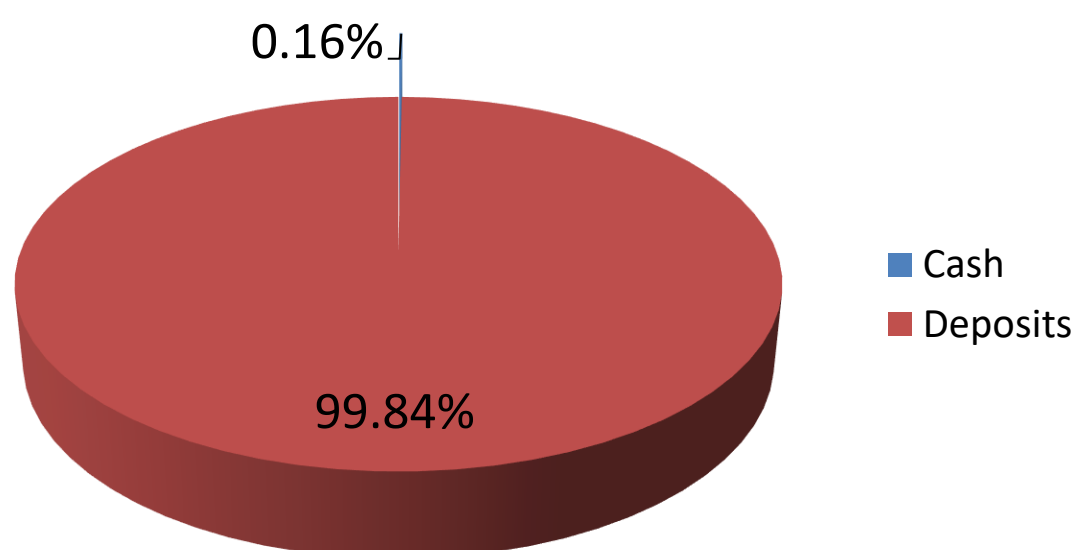


**CUMULATIVE PERFORMANCE (Net of imputed Expected Credit Loss [ECL])<sup>1</sup>**

Period	1Mo	3Mos	6Mos	1Yr	3Yrs
Money Market	0.35%	1.11%	2.14%	3.19%	3.92%
Benchmark <sup>2</sup>	0.32%	1.22%	2.29%	3.76%	7.40%

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>1-month Bloomberg Valuation Service (BVAL) price.

**PORTFOLIO COMPOSITION**



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

Highest	1.213430
Lowest	1.175874

**STATISTICS**

Weighted Ave Tenor	0.13
Monthly Volatility	0.22%
Sharpe Ratio	-0.11
Information Ratio	-0.30

<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	14-Aug-23	8.45%
Deposits	14-Aug-23	6.15%
Deposits	26-Sep-23	4.23%
Deposits	03-Jul-23	3.84%
Deposits	08-Aug-23	3.46%
	Total	26.13%

**RELATED PARTY TRANSACTIONS**

The Fund has deposits with LANDBANK amounting to 2,918,836.74 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 global and domestic macroeconomic backdrop is fraught with so many uncertainties due to high inflation and the tight global monetary policy this necessitated. Both the Federal Reserve and the European Central Bank have been raising interest rates since last year. This has pushed global yields to very high levels, exerting enormous pressure on the world economy. Apart from the foregoing, other factors that blight the global economic outlook are OPEC's propensity to keep oil prices at elevated levels, the Chinese economic slowdown, and the possibility that geopolitical flashpoints could accidentally be triggered. The confluence of all these events has led to the inversion of the U.S. yield curve which has more often than not, presaged a recession.

Meanwhile, on local shores, the Philippine yield curve, which used to have a positive slope, has already flattened quite considerably, with certain segments already inverted. Whether this leads to a Philippine recession or not is still conjecture. But one thing's for sure ... short-term interest rates have risen quite significantly. The prevailing conditions are thus a boon for money market funds, which could cash in on gains similar to those of long-term funds. Good times are in store for conservative investors.

**VIEW STRATEGY**

Simply load up on the highest available deposit placements.

**Contact Details**

For more information, visit, call or email  
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Visit our website:

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



**Trust Banking Group**

Your Stewards for Growth and Good Governance

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, are 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/account, even if invested in government securities, is for the account of the trustor/investor. As such, funds of the trustor/investor, 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. Investors must read the complete details of the fund in the Plan Rules, make his/her own risk assessment, and when necessary, he/she must seek independent/professional opinion, before making an investment.

# UNIT INVESTMENT TRUST FUND

## ABOUT THE LANDBANK MONEY MARKET FUND'S BENCHMARK

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1-month Bloomberg Valuation Service (BVAL) price.

### Description of the Benchmark

Bloomberg's BVAL Evaluated Pricing Service provides transparent and highly defensible prices for fixed income securities across the liquidity spectrum. The key to BVAL's methodology is its real-time access to market observations from a wealth of contributed sources. This accumulated mass of market data is the main driver of an innovative and quantitative approach that first corroborates market levels on actively traded bonds and then derives a comparable relative value price for those securities that are less liquid.

This methodology aligns with Bloomberg's trusted capabilities as the financial industry's leading analytics platform and source of fixed income information. In addition to sophisticated algorithms that generate evaluated prices, the BVAL methodology assigns a BVAL Score based on the amount and consistency of market data used in our models.

### Key Characteristics

The shortest benchmark tenor. Based on the one-month prevailing market rate that comprises the front end of the Philippine yield curve.

### Relation to the fund's objectives/investment strategies

The fund was designed essentially for very conservative investors with frequent liquidity needs. Invested purely in deposit placements, the one-month benchmark would compare favorably with the yield of the fund.