



LANDBANK

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LANDBANK GROWTH FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2023

FUND FACTS

| | | | |
|------------------------|--------------------|--------------------------|---|
| Classification | : Multi-Asset Fund | Net Asset Value per Unit | : 2.420502 |
| Launch Date | : 24 March 2006 | Total Fund NAV | : PhP 81,894,504.70 |
| 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 | : 0.316589% | Custodianship Fees | : 0.001853% | External Auditor Fees | : n/a | Other fees | : 0.016356% |
| LANDBANK | | Standard Chartered | | | | RTGS/PDTC fee/Brokers commission/ taxes on equity shares transactions | |

*As a percentage of average daily NAV for the quarter valued at PhP 83,161,697.12

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 Multi-Asset 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 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 investment is lower than the rate by which the prices of goods and services go up.

Market/Price Risk. This is the possibility for an investor to experience losses due to changes in market prices of securities (e.g., bonds and equities).

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 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.

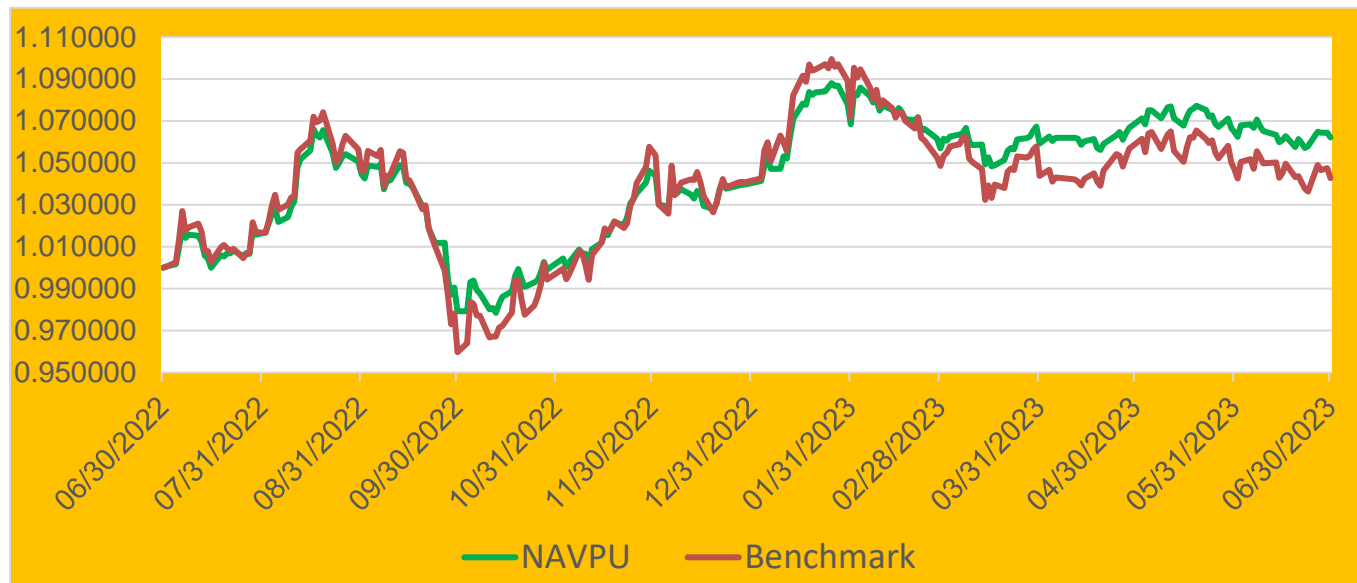
DISCLOSURES

- **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

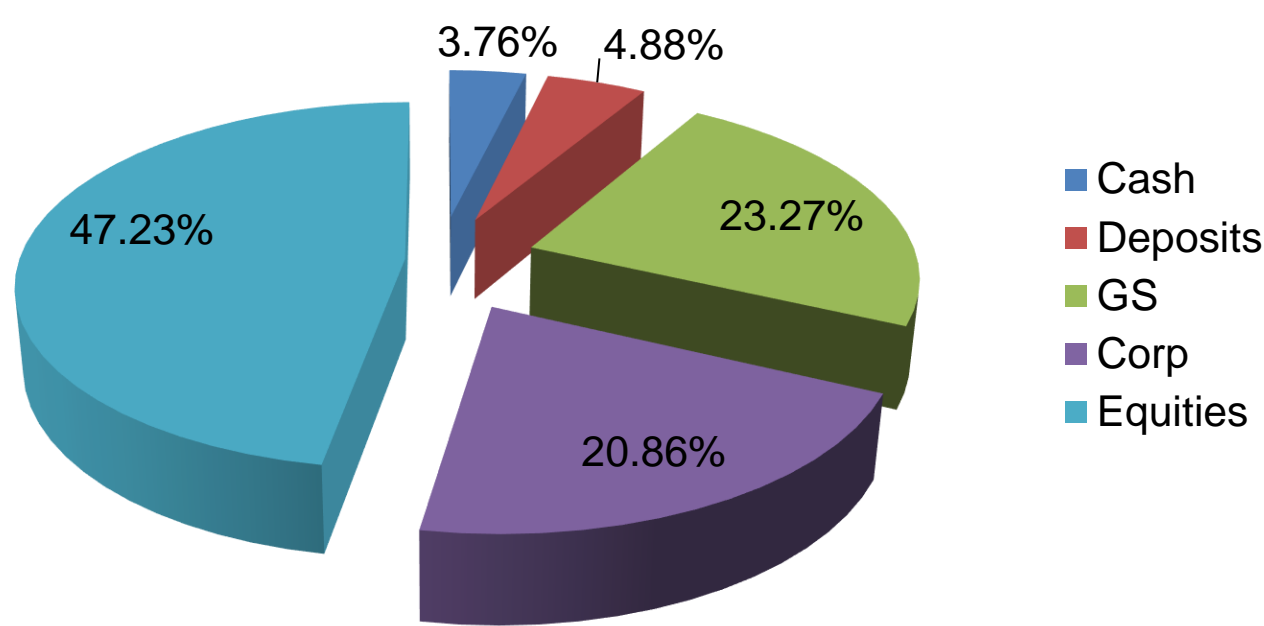


CUMULATIVE PERFORMANCE(%)¹

| Period | 1Mo | 3Mos | 6Mos | 1Yr | 3Yrs |
|------------------------|--------|--------|-------|-------|-------|
| Growth Fund | -0.24% | 0.28% | 2.16% | 6.21% | 6.96% |
| Benchmark ² | -0.40% | -0.09% | 0.26% | 4.27% | 3.86% |

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 | 2.479860 |
| Lowest | 2.230021 |

STATISTICS

| | |
|--------------------|--------|
| Weighted Ave Tenor | 3.92 |
| Monthly Volatility | 2.74% |
| Sharpe Ratio | 0.0920 |
| Information Ratio | 0.0855 |

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 | 01-Jul-23 | 3.76% |
| GS | 19-May-29 | 3.70% |
| GS | 14-Feb-26 | 3.66% |
| Corporate Bonds | 16-Nov-23 | 2.66% |
| Total | | 13.77% |

Equities

| Issue | % of Portfolio |
|---|----------------|
| SM Investment Corp | 4.29% |
| SM Prime Holdings Inc | 3.45% |
| GTPPB (GTCAP Preferred Shares B @5.0949% 10 yrs | 3.24% |
| SAN MIGUEL CORP SERIES 2K PEF | 3.07% |
| Ayala Corp. | 2.32% |
| Total | 16.38% |

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to 3,078,928.23 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 outlook for multi-asset funds is not particularly upbeat. In terms of fixed-income, so much uncertainties plague the market. The economic managers' monetary and fiscal policies are largely ineffectual as the direction of domestic interest rates are dictated largely by the actions of the Federal Reserve. High global inflation is seen to persist for a while longer and force the Federal Reserve and the European Central Bank to continue raising rates to rein in inflation. Furthermore, OPEC has shown a propensity to keep global oil prices at fairly elevated levels by limiting production outputs. As a result, the general mood in the fixed-income market is bearish.

As for equities, there are no significant developments in sight that could propel the market higher. By way of corporate earnings, local firms are just beginning to recover from three years of the pandemic, picking up from where they left off in 2019. High local inflation and interest rates, as well as a weak peso, will certainly pose challenges for local companies to perform well. Furthermore, the prospects of a possible global recession are hindering foreign fund inflows into the local bourse. As of the moment, there is no impetus that would serve to spur significant market upside. Apart from occasional technical rebounds, the stock market would likely remain depressed for a little while longer.

VIEW STRATEGY

Although there could be a bit more upward bias in interest rates, the cycle could come full circle soon with the inflection point perceived to be very near. However, for equities, the general sentiment is not bullish at all. This view could change though if a global recession is averted and inflation gets under control. Given the foregoing, it would be good to be long duration on fixed income. But in terms of equities, it would be a trader's market, buying on weakness and selling on strength.

Contact Details

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



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