



**LANDBANK**

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**LANDBANK HIGH DIVIDEND EQUITY FUND**

*(Previously the UCPB High Dividend Fund)*

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of 30 June 2023

**FUND FACTS**

Classification	: Equity Fund	Net Asset Value per Unit	: 0.886422
Launch Date	: 08 April 2014	Total Fund NAV	: PhP 37,051,275.55
Minimum Investment	: PhP 1,000.00	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 : 0.433294%	Custodianship Fees : n/a	External Auditor Fees : n/a	Other fees : 0.212315%
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 38,793,306.42

**INVESTMENT OBJECTIVE AND STRATEGY**

The LANDBANK High Dividend Equity Fund seeks to provide long-term growth of capital appreciation and a steady income stream through investments in domestic listed shares on the Philippine Stock Exchange.

**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 High Dividend Equity Fund is suitable only for investors who:

- Have an Aggressive risk profile
- are willing to dedicate a small portion of their portfolio, preferably excess funds, for at least 18 months with a high level of return and corresponding risk on an equity portfolio; and
- understands the significance of fluctuating unit prices and that any income/loss arising from market volatilities and price fluctuations is for client's account.

**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 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.

**Market/Price Risk.** This is the possibility for an investor to experience losses due to changes in market prices of securities.

**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.

**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) 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 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

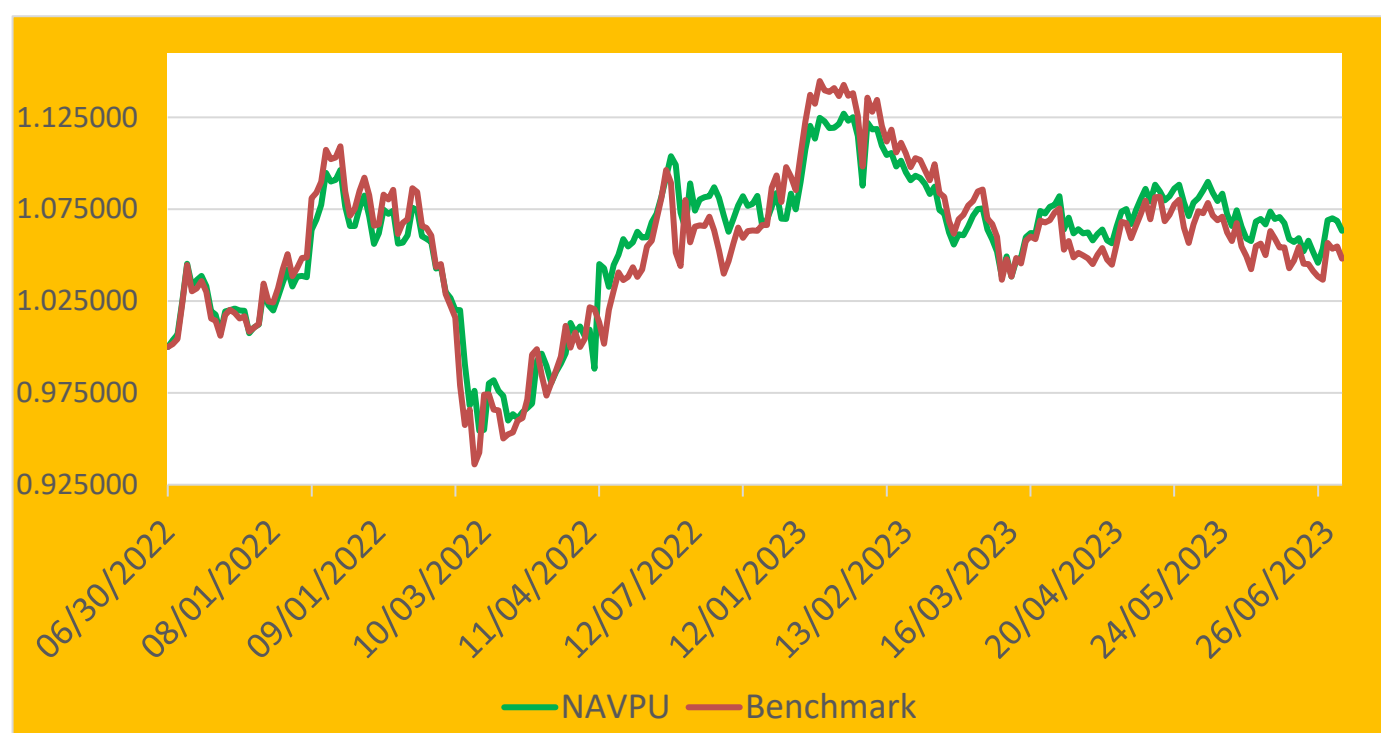
LANDBANK HIGH DIVIDEND EQUITY FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Tel. Nos. 8405-7351; 8405-7119; 8405-7100; 8405-7761

Email: LBP\_TRUST@mail.landbank.com

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

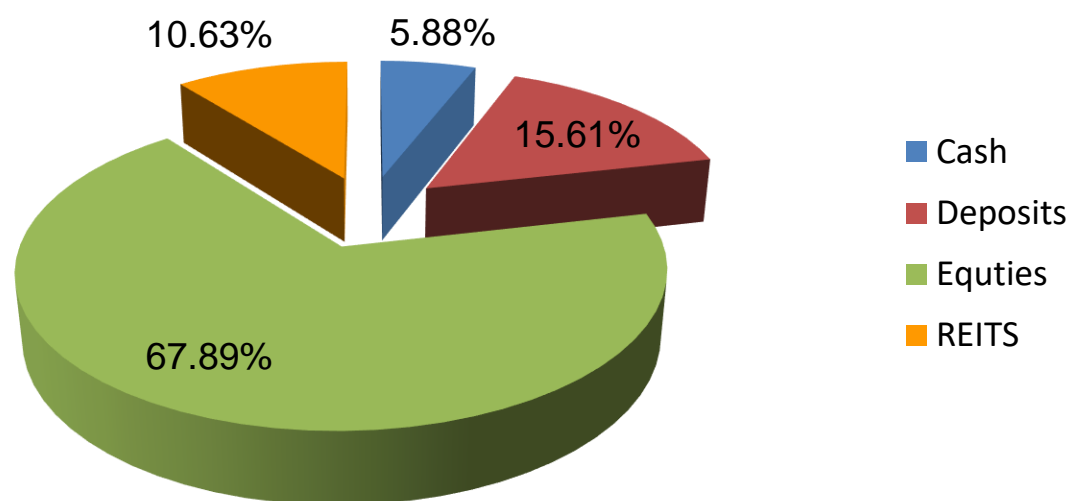


**CUMULATIVE PERFORMANCE(%)<sup>1</sup>**

Period	1 Mo	3 Mos	6 Mos	1Yr	3Yrs
High Dividend	0.39%	-0.08%	-0.26%	6.32%	6.40%
Benchmark <sup>2</sup>	-0.14%	-0.47%	-1.71%	4.81%	3.97%

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>Weighted Average Percentage change in the following:  
a. Philippine Stock Exchange Index (PSEI) - 95% and  
b. 1-month BVAL prices - 5%

**PORTFOLIO COMPOSITION**



**RELATED PARTY TRANSACTIONS**

The Fund has deposits with LANDBANK amounting to 5,258,688.07 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**

A plethora of mixed economic data was churned out by the U.S. in the second quarter of the year adding to the confusion to the already muddled outlook for financial markets. Conflicting reports contributed to heightened volatility. Among these reports, the early part of the quarter saw US job cuts surge by 319 percent and US job openings at near two-year lows; yet, US unemployment remained near all-time lows. Also, US GDP growth was initially estimated to be the slowest in two years. But the final official figure released in June showed quite the opposite. To analysts trying to make sense of the data, these are confounding, to say the least. The only more or less concrete expectation by the market was that the Federal Reserve was supposed to be near the end of its monetary tightening cycle upon reaching its supposed "terminal rate" of 5% for the Federal Funds Rate. Yet, even upon reaching this, core inflation still appeared to be firmly entrenched. This could necessitate more rate hikes by the U.S. central bank.

As a result, the Philippine equities market fluctuated aimlessly, just consolidating within a tight sideways channel between 6,380 and 6,680. And since there are still no significant developments yet that would indicate a breakthrough or a drastic change in outlook, the local bourse could extend its trek within the horizontal channel.

**VIEW STRATEGY**

Despite a slew of positive earnings reports, corporate results are just getting back to where they were before the pandemic hit. Hence market upside is quite restrained and limited. With the bigger picture still largely abstract, more sideways fluctuation could be expected of the market. Hence, it would be best to buy on weakness near major support levels and sell on strength near major resistance.

**Contact Details**

For more information, visit, call or email  
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Tel. Nos. 8405-7351; 8405-7119; 8405-7100; 8405-7761  
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**NAVPU (Year-On-Year)**

Highest	0.939671
Lowest	0.795525

**STATISTICS**

Weighted Ave Tenor	0.00
Monthly Volatility	4.85%
Sharpe Ratio	0.07
Information Ratio	0.08

<sup>1</sup>Only for the fixed-income investments portion of the portfolio.  
<sup>2</sup>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)  
<sup>3</sup>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)  
<sup>4</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. (Not enough data. Fund launch date 01 August 2016)

**MAJOR ASSET HOLDINGS**

Issue	% of Port
SMC2K	8.21%
GLO	8.08%
ICT	6.48%
AC	5.74%
ALI	4.53%
<b>Total</b>	<b>33.05%</b>

# UNIT INVESTMENT TRUST FUND

## ABOUT THE LANDBANK HIGH DIVIDEND EQUITY FUND'S BENCHMARK

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Weighted Average Percentage change in the following:

- Philippine Stock Exchange Index (PSEI) - 95%
- 1-month BVAL prices - 5%

### Description of the Benchmarks

The Philippine Stock Exchange Index (PSEI) is composed of the 30 blue chip listed firms that are most representative of the cross-section of the Philippine economy. These issues should meet the minimum standards as prescribed by Exchange, such as but not limited to, the value of the company, free float level of listed shares, and liquidity in terms of daily trading or value turnover.

The 1-month BVAL rate is the front-end of the Philippine yield curve which reflects the current yield for 30-day fixed-income security, representing the fund's minimum liquidity requirement.

### Key Characteristics

The Philippine Stock Exchange Composite Index (PSEi), is a fixed basket of thirty (30) common stocks of listed companies, carefully selected to represent the general movement of the stock market. In other words, it is the benchmark measuring the performance of the Philippine stock market.

The selection of these companies is based on a specific set of criteria. Under the revised policy on index management, companies should meet three (3) criteria to qualify under the PSEi:

1. The company's free float level must be at least 20%.
2. The company must rank among the top 25% in terms of median daily value in nine out of the twelve-month period in review.
3. Ranking of Top 30 qualified companies based on full market capitalization.

The 1-month BVAL rate reflects the current yield on the 30-day fixed income security.

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

The fund is designed for sophisticated investors with high risk appetite. Invested almost entirely in shares listed in the Philippine Stock Exchange. However, to manage liquidity risk, the fund is mandated to lodge 5% of net assets in 30-day placements. As such, the weighted average of PSEI (95%) and the 1-month BVAL (5%) is the most appropriate benchmark for the fund's performance.