



LANDBANK

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LANDBANK GLOBAL \$ FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2023

FUND FACTS

| | | | |
|------------------------|---------------------------------|--------------------------|--|
| Classification | : Fixed-Income Fund (Long-Term) | Net Asset Value per Unit | : 1.433469 |
| Launch Date | : 13 March 2006 | Total Fund NAV | : US\$ 634,372.04 |
| 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 US\$10.00. |

FEES*

| | | | | | | | |
|------------|-------------|--------------------|--------------------|-----------------------|-------|------------|-------------|
| Trust Fees | : 0.127270% | Custodianship Fees | : 0.006385% | External Auditor Fees | : n/a | Other fees | : 0.009975% |
| | LANDBANK | | Standard Chartered | | | | GSRT fee |

*As a percentage of average daily NAV for the quarter valued at US\$ 638,204.38

INVESTMENT OBJECTIVE AND STRATEGY

As a Dollar-denominated Bond Fund, the LANDBANK Global \$ Fund aims to provide relatively higher income through investments in Dollar-denominated fixed-income securities issued by the National Government and by local companies. Ideal for moderate investors who are willing to take on minimal risks for better returns.

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 Global \$ Fund is classified as a Bond Fund suitable only for investors who:

- Have a Moderate risk profile
- Can accept the risk that the principal investment can be lost in whole or in part when the NAVPU at the time of redemption is lower than the NAVPU at the time of participation.
- With an investment horizon of 3 to 5 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.

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.

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

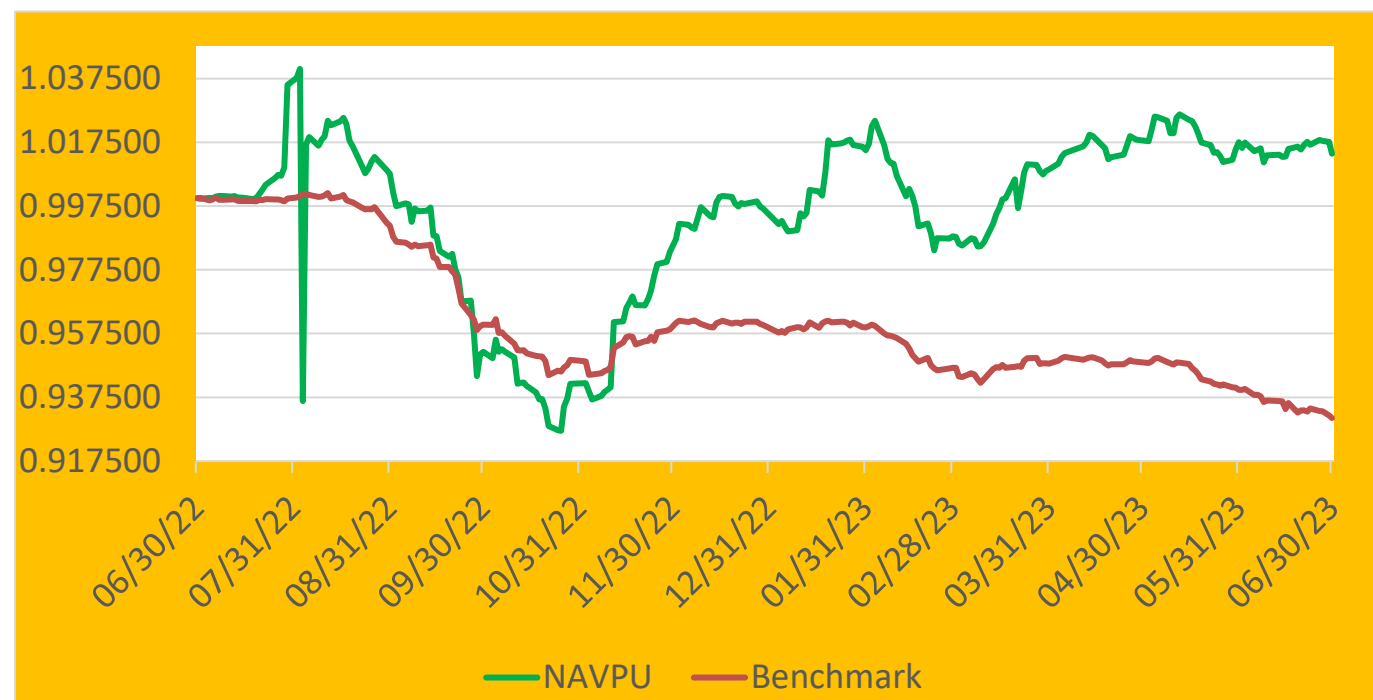
- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/FLUCTUATIONS ONLY**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT 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



NAVPU (Year-On-Year)

| | |
|---------|----------|
| Highest | 1.450894 |
| Lowest | 1.310492 |

STATISTICS

| | |
|--------------------|-------|
| Weighted Ave Tenor | 7.34 |
| Monthly Volatility | 2.84% |
| Sharpe Ratio | -0.07 |
| Information Ratio | 0.39 |

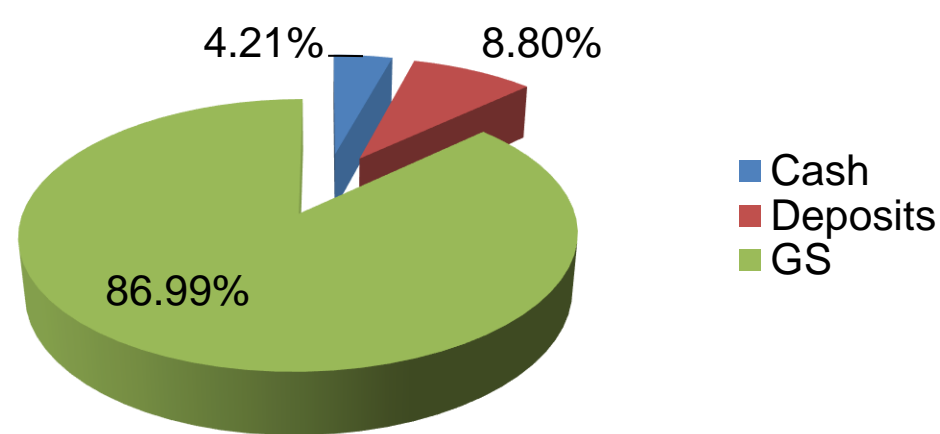
¹Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.
²Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.
³Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

CUMULATIVE PERFORMANCE(%)¹

| Period | 1Mo | 3Mos | 6 Mos | 1Yr | 3Yrs |
|----------------|--------|--------|--------|--------|---------|
| Global \$ Fund | -0.35% | 0.49% | 1.72% | 1.40% | -1.17% |
| Benchmark | -0.94% | -1.80% | -3.05% | -6.91% | -20.13% |

¹Past performance is not indicative of future performance
²Average of the daily one-year ROP rates

PORTFOLIO COMPOSITION



MAJOR ASSET HOLDINGS

| Issue | Maturity | % of Portfolio |
|--------------|----------|----------------|
| ROP | 10/23/34 | 39.51% |
| ROP | 02/02/30 | 15.56% |
| ROP | 07/17/33 | 11.39% |
| ROP | 10/13/27 | 6.54% |
| ROP | 07/17/28 | 6.43% |
| Total | | 79.43% |

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to 26,335.32 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 in 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, which could necessitate more rate hikes by the U.S. central bank. A lot of bond bulls got burned by what had been anticipated versus the actual turn of events.

VIEW STRATEGY

Through it all, one thing's for sure, US inflation is still slowing down, albeit not as fast as wished for. Although the Fed could have missed the mark on its supposed terminal rate, it isn't by a wide margin. There could be a couple more rate hikes before the job is done but the end of the US tightening cycle is very near. That said, we see the rising interest rate cycle to be near the inflection point. The strategic thrust is positioning long and locking in the high yields with maximized portfolio durations. With the bipolar behavior of the market, tactical selling and repositioning would be part of the game plan.

Contact Details

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