



LANDBANK

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LANDBANK BALANCED FUND

(Previously the UCPB Balanced Fund)

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2025

FUND FACTS

Classification	: Multi-Asset Fund	Net Asset Value per Unit	: 2.685213
Launch Date	: 05 March 2007	Total Fund NAV	: PhP 31,716,053.58
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 : 0.437079% LANDBANK	Custodianship Fees : n/a Standard Chartered	External Auditor Fees : n/a	Other fees : 0.008902% RTGS/PDTC fee/Brokers commission/taxes on sale of equity shares
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\*As a percentage of average daily NAV for the quarter valued at PhP 31,497,230.89

INVESTMENT OBJECTIVE AND STRATEGY

The LANDBANK Balanced Fund seeks to provide long-term capital appreciation and income by investing in a mix of equities and fixed-income securities. (61% - 80% in equities)

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 Balanced Fund is suitable only for investors who:

- have an Aggressive risk profile
- are seeking a simple way to achieve a diversified holding of stocks and fixed-income investments;
- are willing to accept moderate fluctuations in unit prices; and
- have 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.

**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.

**Inflation Risk.** The risk that the value of 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.
- 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.

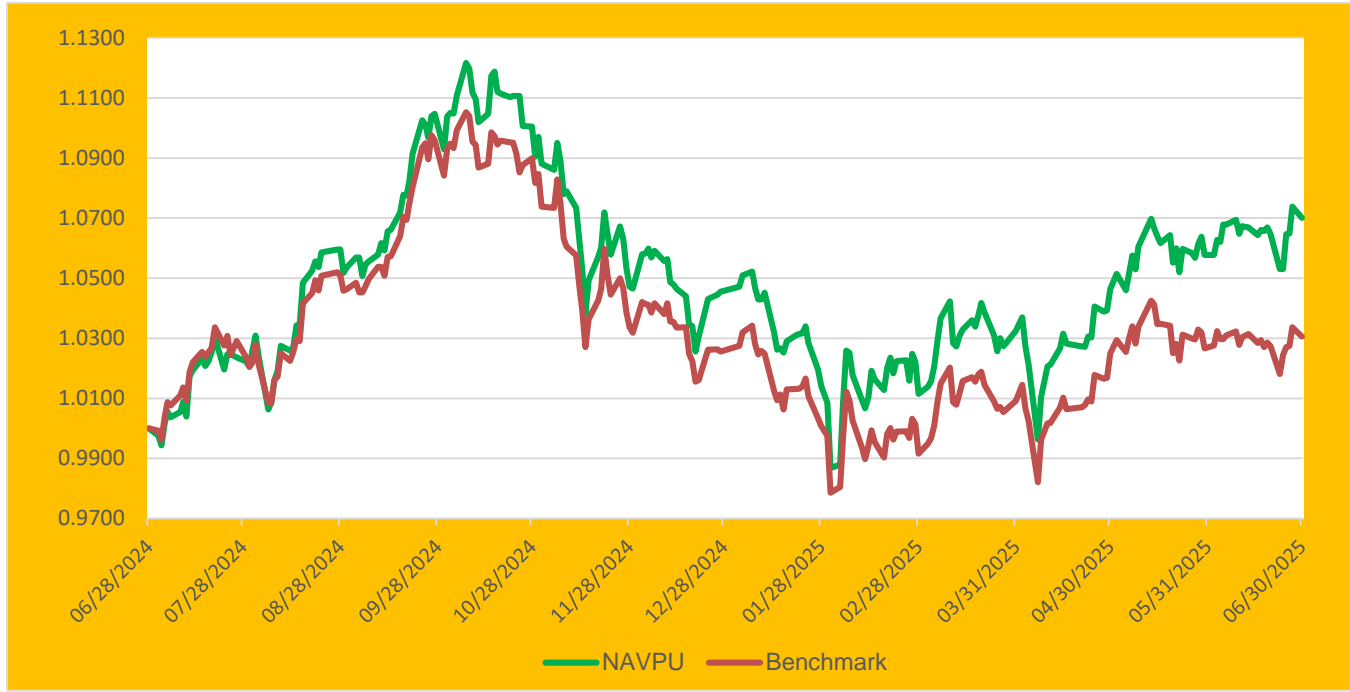
For more information, you can contact us:

LANDBANK TRUST BANKING GROUP  
LANDBANK BALANCED FUND

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Email Addresses: New Accounts: TSAMD-SALES@landbank.com  
Existing Accounts: TSAMD-ACCOUNTS@landbank.com

NAVPU GRAPH

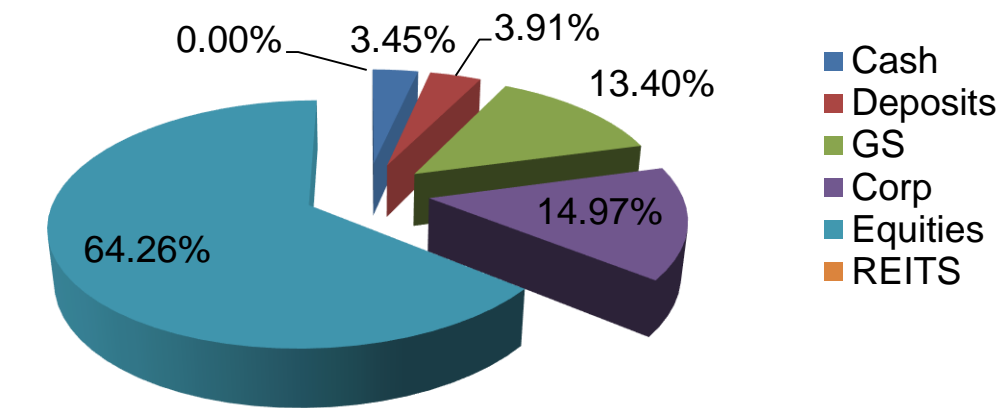
ONE YEAR FUND PERFORMANCE



Period	1Mo	3Mos	6Mos	1Yr	3Yrs
Balanced Fund <sup>2</sup>	1.16%	3.64%	2.35%	7.00%	13.40%
Benchmark <sup>3</sup>	0.38%	2.16%	0.46%	3.06%	9.63%

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>Net of Imputed Expected Credit Loss (ECL)  
<sup>3</sup>Weighted Average Percentage change in the following:  
a. Bloomberg Philippine Sovereign Bond Index 1 to 5 Years (Gross of tax) - 45%  
b. Closing Philippine Stock Exchange Index (PSEi) (Gross of tax) - 50% (Returns do not include the realized and unrealized gains and losses as well as income during the period)  
c. 1-month BVAL prices - 5%

PORTFOLIO COMPOSITION



RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting 1,102,939.12 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 operating environment in the second quarter of 2025 proved to be a tough one for multi-asset funds. Although the deferment of the Trump tariffs provided momentary relief, this would be just fleeting. Both the equities and bond markets encountered rough sailing after the three-month tariff reprieve neared expiry. With the Fed expected to hold rates steady until September, BSP decoupled with U.S. monetary policy by cutting rates again in June by 25 bps on top of the earlier 25 bps reduction in April. The effect of on local yields, however, was not dramatic. The movement of rates was just slight but the behavior of the local yield curve showed some steepening with the short-end dipping a bit, and the belly to long-end edging upwards.

The equity market on the other hand staged a mini-rebound of sorts on cheap-valuation plays. The local bourse managed to rally past the 6,550 level in May as the dovish BSP monetary policy helped boost sentiment and possibly bolster corporate earnings. But as things would play out, the tariff fears would soon re-emerge and hold markets hostage until clarity is gained on how Philippine-U.S. trade policy will turn out.

VIEW STRATEGY

With the steepening yield curve, it would be good to position in the intermediate range with the three-year paper looking quite attractive at the moment. This would have to be the fixed-income tack in the near-term. But for equities, it will be a trader's market with volatility expected to last the whole year. That said, it would be best to buy on weakness or oversold levels and sell on strength or overbought levels. Fibonacci projection points to the 6,800 level as the peak level. Exercise much vigilance and be nimble with trades.

Contact Details

For more information, visit, call or email  
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Existing Accounts: TSAMD-ACCOUNTS@landbank.com

NAVPU (Year-On-Year)

Highest	2.814632
Lowest	2.476182

STATISTICS

Weighted Ave Tenor <sup>1</sup>	3.92
Monthly Volatility <sup>2</sup>	2.78%
Sharpe Ratio <sup>3</sup>	0.0844
Information Ratio <sup>4</sup>	0.5319

<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.  
<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.  
<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.

MAJOR ASSET HOLDINGS

Issue	Maturity	% of Portfolio
Corporate Bond	17-Jul-25	4.59%
Deposits	01-Jul-25	3.45%
Corporate Bond	23-May-29	3.12%
Corporate Bond	26-Oct-31	2.80%
GS	27-Jul-30	2.55%
TOTAL		16.51%

EQUITIES

Issue	% of Portfolio
ICT	6.67%
SM	6.00%
AC	3.57%
MBT	3.18%
MER	3.04%
TOTAL	22.46%



# UNIT INVESTMENT TRUST FUND

## ABOUT THE LANDBANK BALANCED FUND’S BENCHMARK

Weighted Average Percentage change in the following:

- a. Bloomberg Philippine Sovereign Bond Index 1 to 5 Years - 45%
- b. Closing Philippine Stock Exchange Index (PSEi) - 50%
- c. 1-month BVAL prices - 5%

However, this should not be construed as a guarantee of yield.

### Description of the Benchmarks

The benchmark is a blend of the 2 major asset classes (equity and bond) in which the fund is invested in. However, to manage liquidity risk, the fund is also mandated to lodge 5% of its net assets in 30-day placements which is aptly mirrored by the 1-month BVAL.

### Key Characteristics

- BPHIL15 is a fair representation of the fixed-income component of the fund
- PSEi is characterized by high volatility with stocks being the underlying asset class it represents
- 1-month BVAL represents the front-end of the Philippine yield curve reflecting the current rate on a 30-day fixed-income security

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

The blended benchmark of PSEi and the BPHIL15 is an accurate representation of the performance of the fund which is invested in equities and fixed-income. The 1-month BVAL, which is the third component reflects the 5% portion of the fund lodged in not more than 30-day placements.

### References/sources of its detailed information

- Bloomberg Terminal
- PSE Website
- PDEX Website

For more information on the Fund’s benchmark, contact the UITF team at (02) 8405-7100 or (02) 8522-0000 loc.2429.

### Change in the Benchmark

The amendment to the Fund’s benchmark was approved by the LANDBANK Board of Directors on 23 October 2024 through Resolution No. 24-664.

From	To
<u>Weighted average percentage change in the following indices:</u>  a. Bloomberg Philippine Sovereign Bond Index 1 to 5 Years - 45% b. Closing Philippine Stock Exchange Index (PSEi) - 50% c. 1-month BVAL prices - 5%  or in the absence of any one of the indices, any relevant and industry-accepted benchmark.	<u>Weighted average percentage change in the following indices:</u>  a. Bloomberg Philippine Sovereign Bond Index 1 to 5 Years - 45% b. Closing Philippine Stock Exchange Index (PSEi) - 50% c. 1-month BVAL prices - 5%

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### One Year Fund Performance Comparison

Fund’s NAVpU compared to the previous benchmark	Fund’s NAVpU compared to the current benchmark
N/A	N/A

### Reason for the Change of the Fund’s Benchmark

The removal of the statement “or, in its absence, any relevant and industry-accepted benchmark” is in compliance with BSP Circular No. 1178, Series of 2023.