



LANDBANK

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LANDBANK GLOBAL \$ FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2025

FUND FACTS

Classification	: Fixed-Income Fund (Long-Term)	Net Asset Value per Unit	: 1.546591
Launch Date	: 13 March 2006	Total Fund NAV	: USD 500,426.45
Minimum Investment	: USD 1,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: USD 200.00	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	: 0.126471%	Custodianship Fees	: 0.016613%	External Auditor Fees	: n/a	Other fees	: 0.002464%
	LANDBANK		Standard Chartered				GSRT fee

*As a percentage of average daily NAV for the quarter valued at USD 502,785.81

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

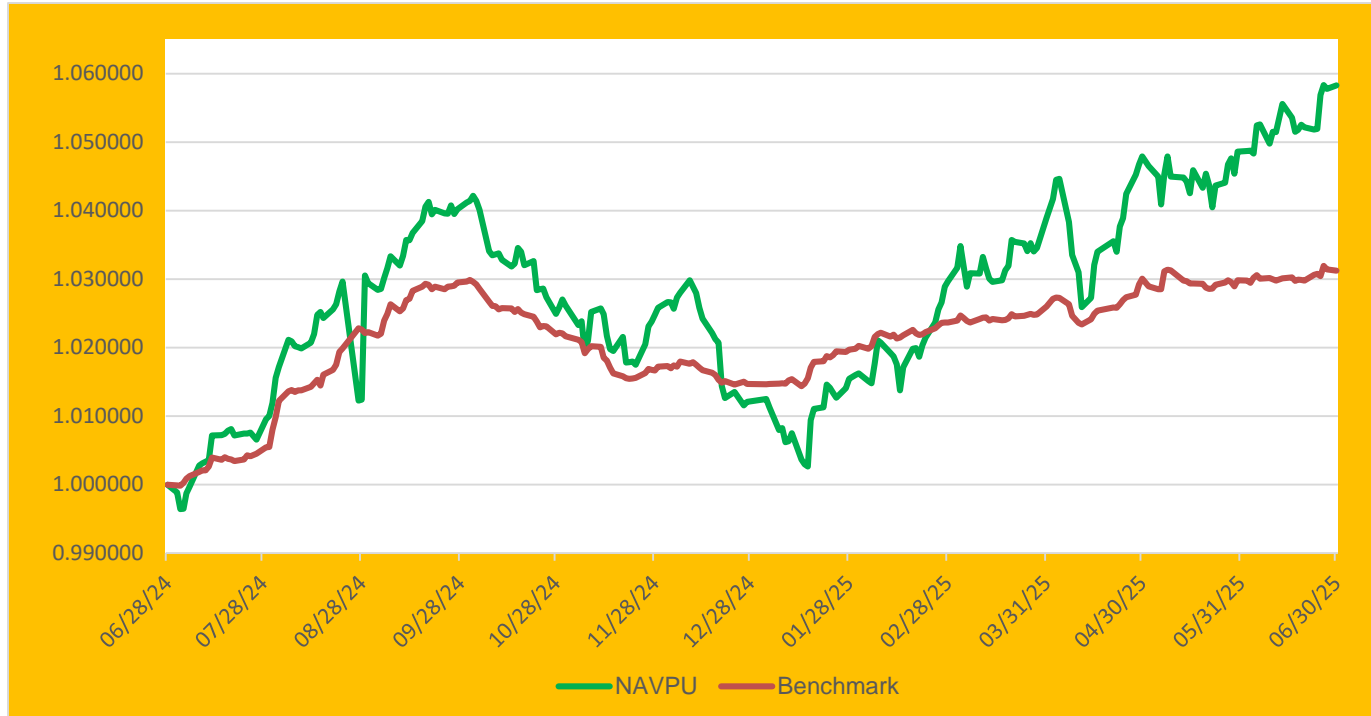
- THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/FLUCTUATIONS ONLY
- WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES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



CUMULATIVE PERFORMANCE(%)¹

Period	1Mo	3Mos	6 Mos	1Yr	3Yrs
Global \$ Fund ²	0.92%	1.86%	4.57%	5.83%	9.40%
Benchmark ³	0.13%	0.51%	1.63%	3.12%	1.27%

¹Past performance is not indicative of future performance

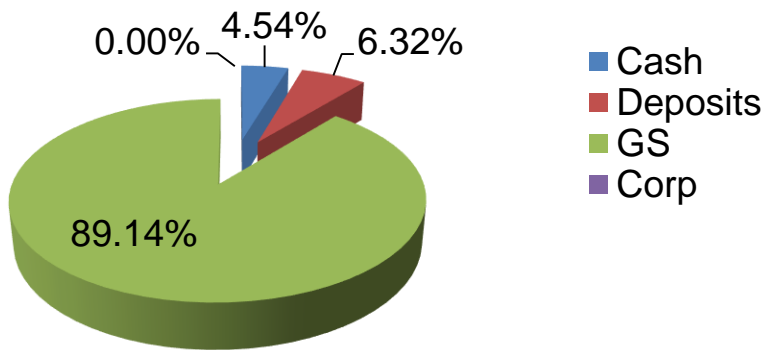
²Net of imputed Expected Credit Loss (ECL)

³Weighted Average Percentage change in the following:

a. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) (Gross of tax) – 95%

b. 1-month U.S. Treasury (Gross of tax) – 5%

PORTFOLIO COMPOSITION



RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to 21,551.50 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 behavior of the Philippine Dollar Bond market, in large part, is contingent on the path of U.S. monetary policy. Although the general consensus is for the Federal Reserve to cut rates twice, this year, it isn't clear if indeed this would be warranted, given the still strong performance of the U.S. economy. U.S. inflation inched up significantly for two consecutive months, reaching as high as 2.7% in June. And this figure does not even reflect the inflationary effects of Trump's tariffs yet.

Should the tariffs kick in, the assumption is that inflation will further accelerate, which begs the question of what would justify rate cuts. On the other hand, the U.S. economy has already contracted in the second quarter notwithstanding the strong economic data. In other words, the U.S. economy is under a stagflationary condition where high inflation is accompanied by sluggish economic growth. Under this scenario, it isn't clear what is the proper monetary policy to undertake. Should the Fed cut rates to boost the economy or should it hold rates steady to contain inflation? Whatever the Fed plans to do is what would determine the movement of the Philippine Sovereign Dollar bond market.

VIEW STRATEGY

As of now, Fed Chair Powell is showing hawkish leanings on monetary policy; that is, he would like to keep rates higher for longer in order to combat inflation. But if the Trump tariffs take effect, the current level of rates might be too low that a higher rate could be needed to tame inflation. This would further slow down the U.S. economy which already contracted in the second quarter. Under this scenario, the behavior of ROP yields is quite bearish with rates rising across the board. It would be good to go for the long-end to lock-in the high rates before a probable recession hits.

Contact Details

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NAVPU (Year-On-Year)

Highest	1.546649
Lowest	1.456190

STATISTICS

Weighted Ave Tenor	6.11
Monthly Volatility	1.01%
Sharpe Ratio	0.10
Information Ratio	0.37

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.

MAJOR ASSET HOLDINGS

Issue	Maturity	% of Portfolio
ROP	23-Oct-34	27.87%
ROP	02-Feb-30	19.58%
ROP	17-Jul-33	14.92%
ROP	14-May-34	8.60%
ROP	14-Jan-29	2.07%
TOTAL		73.05%

UNIT INVESTMENT TRUST FUND

ABOUT THE LANDBANK GLOBAL \$ FUND’S BENCHMARK

Weighted Average Percentage change in the following:

- a. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) – 95%
- b. 1-month U.S. Treasury – 5%

Description of the Benchmarks

- a. One-year ROP
One-year ROP Treasury Bonds are dollar-denominated fixed-income securities issued by the Republic of the Philippines with a maturity period of one year. They are considered to be relatively low-risk investments, backed by the creditworthiness and repayment ability of the Philippine government.
- b. 1-month U.S. Treasury
The shortest U.S. dollar benchmark tenor. Refers to the short-term debt instrument issued by the U.S. Department of the Treasury and has a maturity period of one month.

Key Characteristics

- a. One-year ROP – 95%
The One-year ROP Price is determined by assessing the change in the market value of the ROP bonds over the course of one year. This change is influenced by various factors such as market interest rates, credit ratings, and economic conditions. If the market value of the ROP bonds increases, it indicates a positive return, while a decrease suggests a negative return.

As a benchmark, the One-year ROP can serve as a reference point for evaluating the performance of investment funds or portfolios. Investors can compare the returns generated by the fund against the performance of these bonds to assess the performance of the fund.
- b. 1-month U.S. Treasury – 5%
Are highly liquid instruments and are considered low-risk investments due to the creditworthiness of the U.S. government. They are backed by the full faith and credit of the U.S. government, making them virtually risk-free in terms of default.

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

The Fund aims to generate a relatively higher income through investments in Dollar-denominated fixed-income securities issued by the National Government and by local companies. To manage liquidity risk, the fund lodges 5% of net assets in 30-day placements.

As such, the weighted average of the one-year ROP (95%) and the 1-month U.S. Treasury Benchmark (5%) is the most appropriate composite benchmark for the fund’s performance.

References/sources of its detailed information

- Bloomberg Terminal
- Official website of the U.S. Department of the Treasury

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. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) – 95% b. 1-month U.S. Treasury – 5% or in the absence of any of the indices, any relevant and industry-accepted benchmark.	<u>Weighted average percentage change in the following indices:</u> a. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) – 95% b. 1-month U.S. Treasury – 5%

UNIT INVESTMENT TRUST FUND

ABOUT THE LANDBANK GLOBAL \$ FUND’S BENCHMARK

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.

For more information on the Fund’s benchmark, contact your designated Trust Account Officer at (02) 8405-7351.