



LANDBANK

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LANDBANK EQUITY INDEX FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 September 2017

FUND FACTS

Classification	: Equity Fund	Net Asset Value per Unit	: 1.076287
Launch Date	: 01 August 2016	Total Fund NAV	: PhP 107,498,686.62
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	: 1.50%	Custodianship Fees	: n/a	External Auditor Fees	: n/a
LANDBANK					
Miscellaneous Expense per Unit at 0.008911					

INVESTMENT OBJECTIVE AND STRATEGY

To generate long-term capital growth, to the extent possible, through investments mainly in peso-denominated listed equities comprising the Philippine Stock Exchange Index (PSEi). 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 market.

CLIENT SUITABILITY

A *client profiling process* should be performed prior to participating in the Fund to guide prospective investor 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 Equity Index Fund is classified as a Balanced 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 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 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.

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. 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.

- 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; 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**

For more information, you can contact us:
LANDBANK – TRUST BANKING GROUP

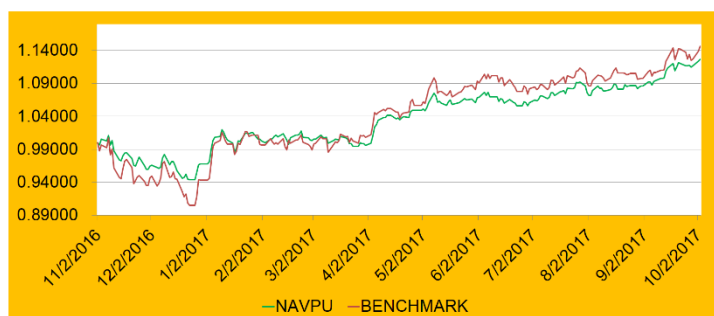
Tel. Nos. 405-7351; 405-7119; 405-7100; 405-7761
Email: LBP-TRUST@mail.landbank.com

Fund Performance and Statistics as of 30 September 2017

Purely for reference purposes and is not a guarantee of future results

EQUITY INDEX FUND

NAVPU GRAPH ONE YEAR FUND PERFORMANCE



CUMULATIVE PERFORMANCE (%)¹

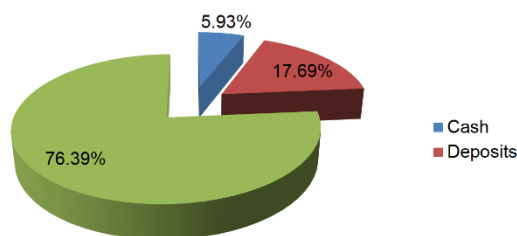
Period	1 Mo	3 Mos	6 Mos	1 Yr	3 Yrs
Equity Index	2.80%	5.24%	12.11%	8.14%	n/a
Benchmark	2.67%	4.19%	11.76%	8.14%	n/a

¹Past performance is not indicative of future performance

²Fund launch date 01 August 2016

³Percentage change in the closing Philippine Stock Exchange Index (PSEi)

PORTFOLIO COMPOSITION



NAVPU (Year-On-Year)

Highest	1.081049
Lowest	0.910365

STATISTICS

Weighted Ave Tenor	0.12
Monthly Volatility	3%
Sharpe Ratio	0.18
Information Ratio	0.04

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. (Not enough data. Fund launch date 01 August 2016)

³Sharpe 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)

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. (Not enough data. Fund launch date 01 August 2016)

MAJOR ASSET HOLDINGS

Issue	% of Port
MER	5.98%
GTPPA	5.91%
SM	5.44%
ICT	5.39%
SMC2D	4.61%
Total	27.32%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to P6,371,450.17, which is within the limit approved by the Board of Directors. Likewise, related parties transactions are conducted on an arm's length basis.

FUND MANAGER'S REPORT

The Philippine economy grew at a rate of 6.5% in the second quarter hitting the lower brink of the target range (6.5-7.5%), beating estimates and previous quarter growth of 6.4%. Rising government spending and consumer confidence supported the country in claiming the spot as one of the best performing economies in Asia. Investment on infrastructure and advances in the tax reform plan will set the path to a broader expansion in 2018.

Climbing at all-time high this year, the PSEi is expected to breach 8,400 level while investors are on the side-lines looking into third quarter earnings. Additionally, investors are waiting for the passing of the tax reform plan that would bolster higher growth for the economy.

The Dow Jones Index surged 5% during the third quarter ending in 22,405 level despite hurricanes and geo-political threats between US and North Korea. The record high is attributed to positive earnings, tax reform proposal, and a strengthening US economy. NASDAQ Composite Index also trekking higher, closing in 6,496 level at the end of September.

VIEW STRATEGY

The index started to show a strong resistance at the 8,000 level for the past months. This can be attributed to the single digits EPS shares growth of the 1Q17 earning, of which some of the analyst doesn't see any reversal of trend for the 2Q2017. Despite it, the PSE index managed to have double digit YTD at 14.66%.

The strategy of the fund manager is to maximize the exposures for index stocks & preferred shares relative to the global fund rotational flows and local corporate earnings expectations/outlook. We shall continually and closely monitor key market indicators and act accordingly.

Contact Details

For more information, visit, call or email

LANDBANK - TRUST BANKING GROUP

21/F LANDBANK Plaza

1598 M.H. Del Pilar St. Malate, Manila 1004

Tel. Nos. 405-7351; 405-7119; 405-7100; 405-7761

Email : LBP-Trust@mail.landbank.com

Visit our website:

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



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Unit Investment Trust Funds (UITFs) are not deposit accounts or an obligation of, or guaranteed, or insured by the Land Bank of the Philippines or its affiliates or subsidiaries and, therefore, is not insured or governed by the Philippine Deposit Insurance Corporation (PDIC). Due to the nature of investment, yields and potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the Fund, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the UITF, when redeemed, may be worth more or be worth less than his/her initial investment/contributions. Historical performance, when presented, is purely for reference purposes and not a guarantee of similar future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence.