



LANDBANK

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LANDBANK GLOBAL DOLLAR FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 29 April 2016

FUND FACTS

Classification	: Long Term Bond Fund	Net Asset Value per Unit	: 1.343781
Launch Date	: 13 March 2006	Total Fund NAV	: US\$ 455,218.43
Minimum Investment	: US\$ 1,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: US\$ 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	: 1.00%	Custodianship Fees	: 0.0175%	External Auditor Fees	: n/a
LANDBANK					
Miscellaneous Expense per Unit at 0.000282					

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* 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 Global Dollar 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 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.

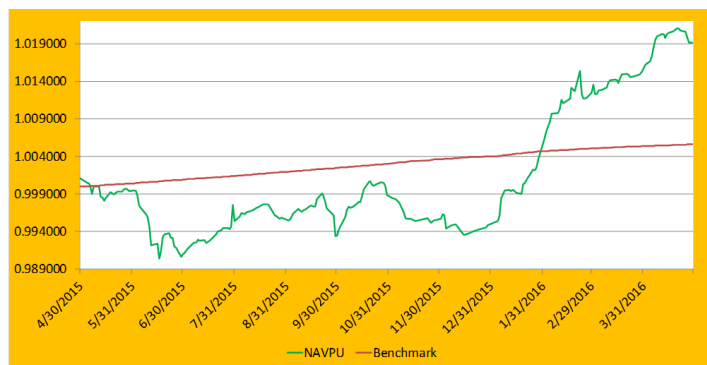
DISCLOSURES

- **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

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NAVPU GRAPH
ONE YEAR FUND PERFORMANCE



NAVPU (Year-On-Year)

Highest	1.346328
Lowest	1.305909

STATISTICS

Weighted Ave. Tenor (Years) ¹	3.17
Monthly Volatility ² , Past 1 Year	0.50%
Sharpe Ratio ³ YoY	0.2796
Information Ratio ⁴	0.21

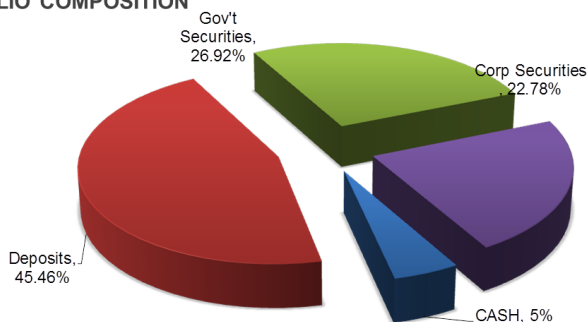
¹Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.
²Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.
³Information Ratio measures reward-to-risk efficiency 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	6mos	1yr	3yrs
Global Dollar Fund	0.33%	1.40%	2.03%	1.80%	5.65%
1-Year ROP	0.03%	0.20%	0.33%	0.24%	1.27%

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	02-Feb-30	15.663%
Corporate Bond	31-Jan-17	11.387%
Corporate Bond	16-Feb-17	11.392%
ROP	21-Oct-24	5.015%
TOTAL		43.46%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to \$ 80,496.72, 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

Global economic developments in April played out according to script. The Eurozone continued to languish, China showed more signs of slowing down and the U.S. churned out relatively good data. Relying purely on monetary policy to revive the bloc's economy, the European Central Bank's (ECB) efforts could prove futile as it turns a blind eye on fiscal stimulation. Indeed, negative interest rates might actually do more harm than good. Although expanding Quantitative Easing to cover corporate bonds and collateralized debt instruments might help a bit, the ECB should have done all of these five years ago. Now, these measures may be too little, too late.

China, for its part, had been successful in stabilizing its financial markets. But its decades-long, unimpeded, double-digit growth rate must have created credit- and asset-bubbles along the way. Nascent signs of this have already begun to manifest with a spate of defaults from large companies. And because corporate China's leverage is one of the highest in the world, corporate profits cannot be robust if firms have to pay out mountainous debts in the absence of external demand. The 6.7% Q1 Sino-GDP growth is, thus, highly dubious.

Things were different, however, in the U.S. as jobless claims fell to their lowest level since 1973. For all intents and purposes, the U.S. is already at or very near full-employment. Still, the Federal Reserve refrained from raising its key policy rates due to the rather wobbly global economy and a very mediocre Q1 U.S. GDP growth. It strongly signified, however, that a rate rise is warranted in succeeding meetings.

On local shores, there is a strong case to expect robust 1Q2016 economic growth. Even though exports dropped 4.5% in February, factory output grew by 8.4%, indicating strong domestic demand. This was supported by healthy OFW remittances, which grew by 6.1% in the first 2 months and a thriving BPO sector. And with government and the elections providing a big boost to retail spending, it is mathematically impossible to have modest growth. Finally, the milder than expected agricultural damage caused by el nifio will certainly help push Q1 economic expansion within the vicinity of 6.5 to 6.7%.

VIEW STRATEGY

With the continuing global miseries, particularly in China and Europe, and the not so good US economic data that defers Fed rate hike, the Philippine market may expect more cash inflows as investors look for investment haven. This will push bond prices downward. To minimize risk from market volatility, we shall keep the Fund's current position. In case of event turn around, the Fund shall gradually increase its position in ROPs and, depending on the availability, in corporate issues and LTNCDs, once bond prices reach attractive levels.

Contact Details

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Your Stewards for Growth and Good Governance

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.