



LANDBANK

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LANDBANK GLOBAL DOLLAR FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 29 February 2016

FUND FACTS

Classification	: Long Term Bond Fund	Net Asset Value per Unit	: 1.334916
Launch Date	: 13 March 2006	Total Fund NAV	: US\$ 461,622.58
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 0.000109					

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.

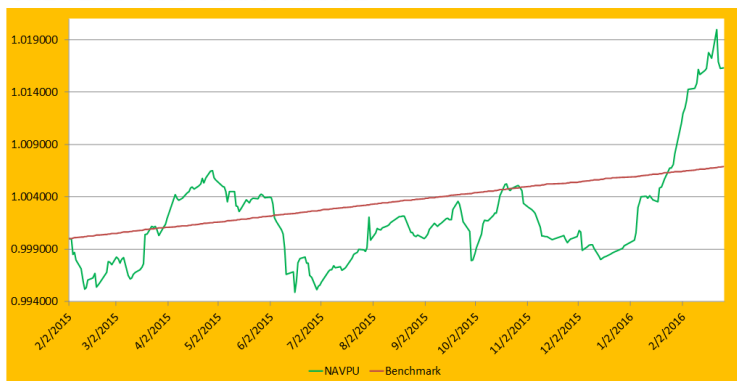
DISCLOSURES

- **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	1.338810
Lowest	1.305909

STATISTICS

Weighted Ave. Tenor (Years) ¹	5.57
Monthly Volatility ² , Past 1 Year	0.63%
Sharpe Ratio ³ YoY	0.3488
Information Ratio ⁴	0.28

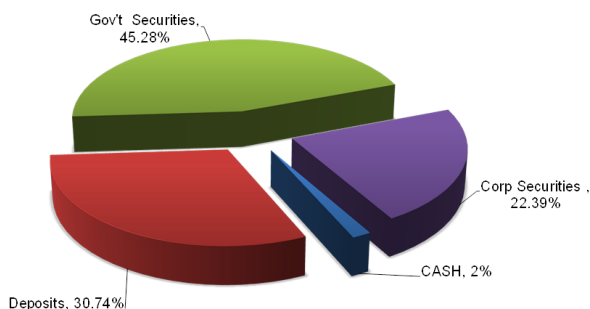
¹Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.
²Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.
³Information Ratio measures reward-to-risk efficiency 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	1.48%	2.47%	2.43%	2.72%	7.35%
1-Year ROP	0.07%	0.17%	0.31%	0.69%	1.82%

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	29.17%
Corporate Bond	31-Jan-17	11.24%
Corporate Bond	16-Feb-17	11.15%
ROP	21-Oct-24	10.00%
Total		61.56%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to \$ 149,380.93, 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 financial markets started to stabilize in February but not before China unloaded a sizeable chunk of its \$1.25 trillion holdings of U.S. treasuries. Speculators finally came to realize that it would be a futile attempt to bring down a Yuan, backed up by the world's largest international reserves worth over \$3 trillion. Another factor that contributed to bringing back order in financial markets is the rebound in commodity prices -- in particular, oil and industrial metals. This gave the impression that the global deflationary environment is starting to normalize. And with a good batch of U.S. data released during the month, things were indeed starting to look a bit brighter.

Still, it would be premature to construe the foregoing as a sign of global economic recovery. The Eurozone remains in the doldrums and is not expected to emerge from the quagmire anytime soon. Japan also is in a bind and in danger of a recessionary relapse. Resorting to drastic monetary measures such as negative interest rates may do more harm than good. Still, this would be the chosen path of both the Japanese and European central banks. Negative interest rates could crimp the ability of banks to make money and lead them to take more risks in search of profit. Also, depositors, having to pay in order to save, may shun banks and just go for the mattress. Apart from these, there is also a danger of currency wars, which could ultimately lead back to deflation.

Cognizant of the perilous state of the global economy, the IMF scaled down its economic growth projection for the Philippines to 6.0% from 6.2%. Even then, the reduced growth forecast for the country would still be the envy of most of the world. Although beset with myriads of challenges, the Philippine economy is very resilient, well-insulated from most external economic shocks and poised to be one of the best global economic performers.

VIEW STRATEGY

With mixed offshore economic developments, we shall keep the Fund's current position. In the event of a strong signal of global economic recovery, however, we will start reducing the Fund's ROP holdings and reposition in short-term deposits. When the interest rates are perceived to have reached their peak, we shall load up in medium- and long-term ROPs and corporates again.

Contact Details

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