



LANDBANK

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LANDBANK GROWTH FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 29 April 2016

FUND FACTS

Classification	: Balanced Fund	Net Asset Value per Unit	: 2.230368
Launch Date	: 24 March 2006	Total Fund NAV	: PhP78,064,083.63
Minimum Investment	: PhP 10,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: PhP 5,000.00	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	: 1.25%	Custodianship Fees	: 0.015%	External Auditor Fees	: n/a
LANDBANK					
Miscellaneous Expense per Unit at 0.000526					

INVESTMENT OBJECTIVE AND STRATEGY

To generate capital growth while maintaining steady stream of income through a combination of diversified investments in peso-denominated listed equities and tradable fixed income securities. The is for investors who are willing to take extra risk in order to avail of the higher investment returns offered by the equities and debt markets.

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 Growth 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.
- 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; 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

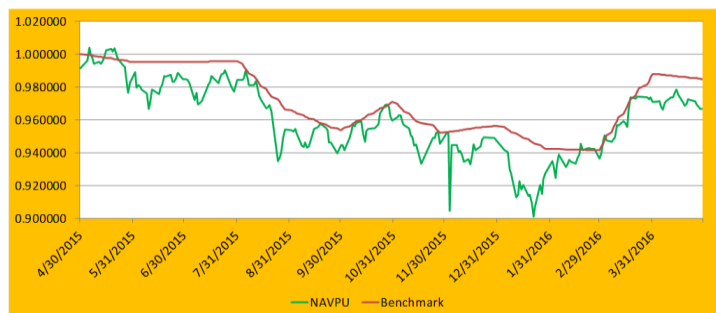
Tel. Nos. 405-7351; 405-7119; 405-7100; 405-7761
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Fund Performance and Statistics as of 29 April 2016

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

GROWTH FUND

NAVPU GRAPH ONE YEAR FUND PERFORMANCE



CUMULATIVE PERFORMANCE(%)¹

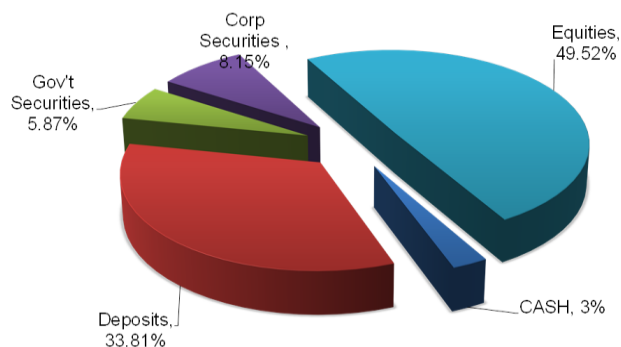
Period	1mo	3mos	6mos	1yr	3yrs
Growth Fund	-0.44%	3.39%	0.77%	-2.35%	1.74%
Benchmark ²	-0.31%	4.19%	1.15%	-1.75%	3.95%

¹Past performance is not indicative of future performance

²Simple average of the percentage change of HSBK Philippines Local Currency Bond Index for securities with maturities not exceeding five (5) years and Closing Philippine Stock Exchange Index (PSEI) until 31 March 2016.

Simple average of the percentage change in the Bloomberg Government Bond Index AI and Closing Philippine Stock Exchange Index (PSEI) from 31 March 2016.

PORTFOLIO COMPOSITION



NAVPU (Year-On-Year)

Highest	2.316205
Lowest	2.078817

STATISTICS

Weighted Ave. Tenor (Years) ¹	2.78
Monthly Volatility ² , Past 1 Year	1.69%
Sharpe Ratio ³ YoY	(0.1898)
Information Ratio ⁴	(0.16)

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.

³Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.

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.

MAJOR ASSET HOLDINGS

Fixed Income

Issue	Maturity	% of Portfolio
Deposits	5/25/2016	6.91%
Gov't Securities	7/19/2031	4.51%
Deposits	5/30/2016	4.03%
Deposits	5/2/2016	3.84%
Deposits	5/30/2016	3.84%
TOTAL		23.14%

Equities

Stock	% of Portfolio
SM	5.11%
ALI	3.69%
JGS	2.94%
DDPR	2.70%
AC	2.65%
TOTAL	17.11%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to P2,071,232.66, 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, this should be a serious concern.

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. 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 GDP 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, which is expected to surpass foreign remittance volumes and soon become the top source of foreign revenue. And with the milder than expected agricultural damage caused by el niño, Q1 economic expansion could come within the vicinity of 6.5%.

VIEW STRATEGY

With the continued massive spending expected as the presidential elections comes nearer, we shall maintain, or slightly increase, the Fund's exposure in the index stocks, and shall gradually increase the duration of the fixed income assets once rates again go up and reach acceptable levels, so as to lock in at higher yields. We shall also continually and closely monitor the market, and act accordingly.

Contact Details

For more information, visit, call or email

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Trust Banking Group

Your Stewards for Growth and Good Governance

LANDBANK UNIT INVESTMENT TRUST FUNDS

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.