



**LANDBANK**

www.landbank.com

**LANDBANK MONEY MARKET FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

As of 30 September 2017

**FUND FACTS**

Classification	: Money Market Fund	Net Asset Value per Unit	: 1.086382
Launch Date	: 27 March 2012	Total Fund NAV	: PhP 295,276,137.86
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 + 0
Minimum Holding Period	: 7 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 : **0.20%** Custodianship Fees : n/a External Auditor Fees : n/a

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Miscellaneous Expense per Unit at 0.000094

**INVESTMENT OBJECTIVE AND STRATEGY**

The LANDBANK Money Market Fund aims to provide investors high liquidity and minimal risk but with decent returns on their capital, from special savings deposit accounts and other interest bearing deposits.

**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 Money Market Fund is suitable only for investors who:

- Have a Conservative Risk Profile
- With an Investment Horizon of < 1 year

**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 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.

**Inflation Risk.** The risk that the value of investment is lower than the rate by which the prices of goods and services go up.

- The Fund implements a risk management policy that applies the principles of Value-at-Risk (VAR). VaR is a measure of the likely volatility of earnings due to rate fluctuations in the market. It 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.
- 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

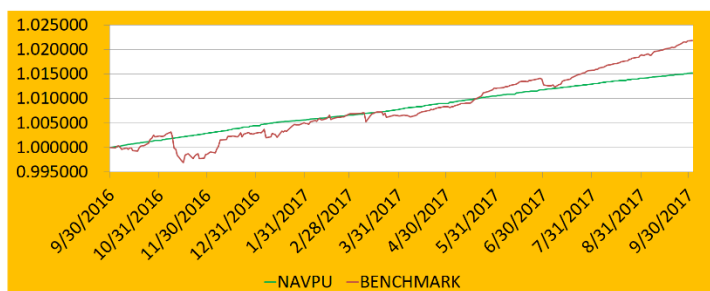
Tel. Nos. 405-7351; 405-7119; 405-7100; 405-7761  
Email: LBP-TRUST@mail.landbank.com

# Fund Performance and Statistics as of 30 September 2017

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

## MONEY MARKET FUND

### NAVPU GRAPH ONE YEAR FUND PERFORMANCE



### NAVPU (Year-On-Year)

Highest	1.086382
Lowest	1.070229

### STATISTICS

Weighted Ave Tenor	0.26
Monthly Volatility	0.02%
Sharpe Ratio	-3.04
Information Ratio	-0.26

<sup>1</sup>Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.

<sup>2</sup>Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.

<sup>3</sup>Information 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.

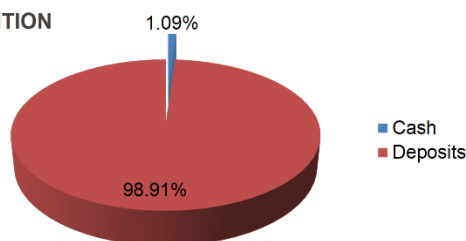
### CUMULATIVE PERFORMANCE(%)<sup>1</sup>

Period	1 Month	3 Months	6 Months	1 Year	3 Years
Money Market	0.10%	0.33%	0.73%	1.51%	4.79%
Benchmark	0.28%	0.41%	0.32%	0.36%	6.26%

<sup>1</sup>Past performance is not indicative of future performance

<sup>2</sup>HSBC Philippines Local Currency Bond Index for Money Market until 30 March 2016 & Bloomberg Philippine Sovereign Bond Index Money Market from 31 March 2016 onwards.

### PORTFOLIO COMPOSITION



### MAJOR ASSET HOLDINGS

Issue	Maturity	% of Portfolio
Deposits	10/9/2017	15.12%
Deposits	11/15/2017	10.76%
Deposits	10/4/2017	9.41%
Deposits	10/23/2017	9.41%
Deposits	12/6/2017	7.06%
Total		51.76%

### RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to Php47,629,809.18 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

Key policy rates were unaltered for the third quarter period as the BSP perceived a manageable inflation outlook throughout the year. Overnight lending rate remained at 3.5%; overnight reverse repurchase rate at 3.0%; and overnight deposit rate at 2.5%. Also, reserve requirement volumes were unchanged.

Inflation trended higher for the third quarter as July CPI data was recorded at 3.1%, a rate maintained in August, then skipped to 3.4% in September. This yielded a year-to-date average of 3.1% as of quarter-end; within the target range of BSP (2.0 - 4.0%) for the entire 2017. The acceleration of prices was attributed to food price increases. Moreover, risks continue to project upwards as pressures may spur from the current administration's proposed tax reform plan. But despite faster upturns, BSP still sees no pressure for policy adjustments given a manageable inflation horizon.

Local fixed income yields trended downwards into August then drove up after the Fed released a statement in September's policy meeting concerning the balance sheet normalization coupled with prospects of another rate hike by year-end. The 10-year benchmark bond FXTN 10-60 traded at 4.397% level by end-September, while 10-year US treasury ended at 2.330% level.

The BSP's Term deposit facility, particularly the 28-day tenor, volume offered was reduced from 140 Bn to 100 Bn due to a continued decline in demand.

### VIEW STRATEGY

Fund investment is in banks high yielding deposits maximizing available tenors with best returns. Other alternative investment is short-dated bank LTNCDs with better yields than deposits.

### Contact Details

For more information, visit, call or email

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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.

LANDBANK UNIT INVESTMENT TRUST FUNDS