



**LANDBANK**

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**LANDBANK MONEY MARKET FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

*As of 30 June 2024*

**FUND FACTS**

|                        |                     |                          |   |
|------------------------|---------------------|--------------------------|---|
| Classification         | : Money Market Fund | Net Asset Value per Unit | : 1.268377  |
| Launch Date            | : 27 March 2012     | Total Fund NAV           | : PhP 396,906,174.13  |
| 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 + 1   |
| 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 | : 0.050565% | Custodianship Fees | : n/a | External Auditor Fees | : n/a | Other fees | : 0.004105% |
|            | LANDBANK    |                    |       |                       |       |            | RTGS fee    |

\*As a percentage of average daily NAV for the quarter valued at PhP 391,955,973.09

**INVESTMENT OBJECTIVE AND STRATEGY**

The LANDBANK Money Market Fund aims to provide high liquidity and minimal risk but with decent returns on capital, from short-term fixed income investments.

**CLIENT SUITABILITY**

A *client profiling process* shall 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 Risk.** 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 an 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 or submission of a Letter of Instruction and such other reasonable requirements which the TRUSTEE may require; subject to penalty if redeemed before the minimum holding period.

For Partial Redemption, remaining balance should not be less than minimum investment.

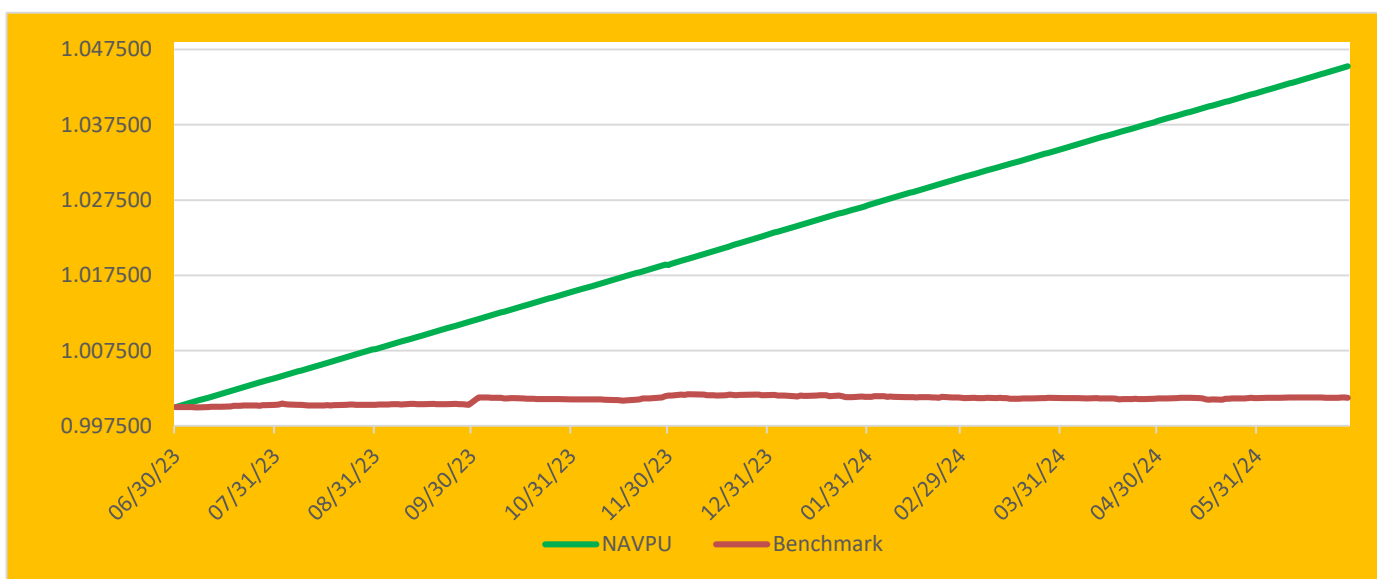
**DISCLOSURES**

- **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**
- **INVESTORS MUST READ THE COMPLETE DETAILS OF THE FUND IN THE PLAN RULES, MAKE HIS/HER OWN RISK ASSESSMENT, AND WHEN NECESSARY, HE/SHE MUST SEEK INDEPENDENT/PROFESSIONAL OPINION, BEFORE MAKING AN INVESTMENT.**

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

Tel. Nos. 8405-7351; 8405-7119; 8405-7100; 8405-7761  
Email Addresses: New Accounts: TBDD@landbank.com  
Existing Accounts: TRAMD@landbank.com

**NAVPU GRAPH**  
**ONE YEAR FUND PERFORMANCE**



**NAVPU (Year-On-Year)**

|         |          |
|---------|----------|
| Highest | 1.268377 |
| Lowest  | 1.213430 |

**STATISTICS**

|                                 |       |
|---------------------------------|-------|
| Weighted Ave Tenor              | 0.15  |
| Monthly Volatility <sup>1</sup> | 0.03% |
| Sharpe Ratio <sup>2</sup>       | -0.29 |
| Information Ratio <sup>3</sup>  | 9.58  |

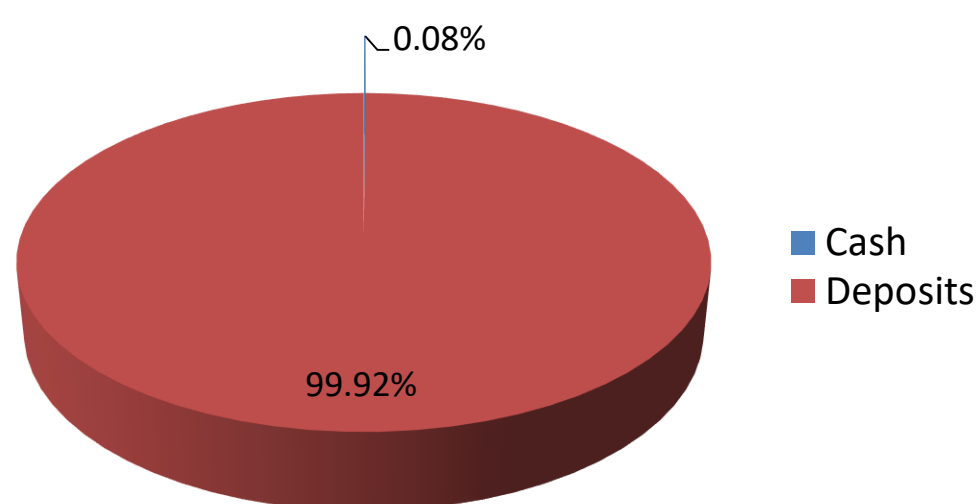
<sup>1</sup>Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.  
<sup>2</sup>Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.  
<sup>3</sup>Information 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                    | 1Mo   | 3Mos  | 6Mos   | 1Yr   | 3Yrs   |
|---------------------------|-------|-------|--------|-------|--------|
| Money Market <sup>2</sup> | 0.34% | 1.11% | 2.21%  | 4.53% | 8.26%  |
| Benchmark <sup>3</sup>    | 0.00% | 0.00% | -0.03% | 0.13% | -0.31% |

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>Net of imputed Expected Credit Loss (ECL)  
<sup>3</sup>1-month Bloomberg Valuation Service (BVAL) price (Gross of tax)

**PORTFOLIO COMPOSITION**



**MAJOR ASSET HOLDINGS**

| Issue    | Maturity  | % of Portfolio |
|----------|-----------|----------------|
| Deposits | 07-Aug-24 | 7.42%          |
| Deposits | 18-Sep-24 | 5.06%          |
| Deposits | 05-Aug-24 | 5.01%          |
| Deposits | 18-Sep-24 | 4.30%          |
| Deposits | 22-Aug-24 | 4.05%          |
| Total    |           | 25.85%         |

**RELATED PARTY TRANSACTIONS**

The Fund has deposits with LANDBANK amounting to 6,318,642.22 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**

It has been a boon to money markets that the yield curve's shape has flattened. Interest rate differentials between short and long tenors have narrowed considerably with the ascent of the front end. And because of the general view that interest rates will stay higher for longer, money markets stand to benefit from this with generous high rates at the short end. This trend will likely continue until U.S. inflation falls below the 3% psychological barrier, towards the Federal Reserve's 2% target. Interest rates will reverse direction downwards when the Fed starts to cut rates. As of now, the consensus is that this will likely take place sometime around September. However, this remains to be seen as U.S. economic data are still coming out mixed.

**VIEW STRATEGY**

Simply position in the highest-yielding special savings deposits offered in the market.

**Contact Details**

For more information, visit, call or email  
 LANDBANK TRUST BANKING GROUP  
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 1598 M.H. Del Pilar St. Malate, Manila 1004  
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 Email : New Accounts: TBDD@landbank.com  
 Existing Accounts: TRAMD@landbank.com

Visit our website:

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



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# UNIT INVESTMENT TRUST FUND

## ABOUT THE LANDBANK MONEY MARKET FUND'S BENCHMARK

1-month Bloomberg Valuation Service (BVAL) price.

### Description of the Benchmark

Bloomberg's BVAL Evaluated Pricing Service provides transparent and highly defensible prices for fixed income securities across the liquidity spectrum. The key to BVAL's methodology is its real-time access to market observations from a wealth of contributed sources. This accumulated mass of market data is the main driver of an innovative and quantitative approach that first corroborates market levels on actively traded bonds and then derives a comparable relative value price for those securities that are less liquid.

This methodology aligns with Bloomberg's trusted capabilities as the financial industry's leading analytics platform and source of fixed income information. In addition to sophisticated algorithms that generate evaluated prices, the BVAL methodology assigns a BVAL Score based on the amount and consistency of market data used in our models.

### Key Characteristics

The shortest benchmark tenor. Based on the one-month prevailing market rate that comprises the front end of the Philippine yield curve.

### Relation to the fund's objectives/investment strategies

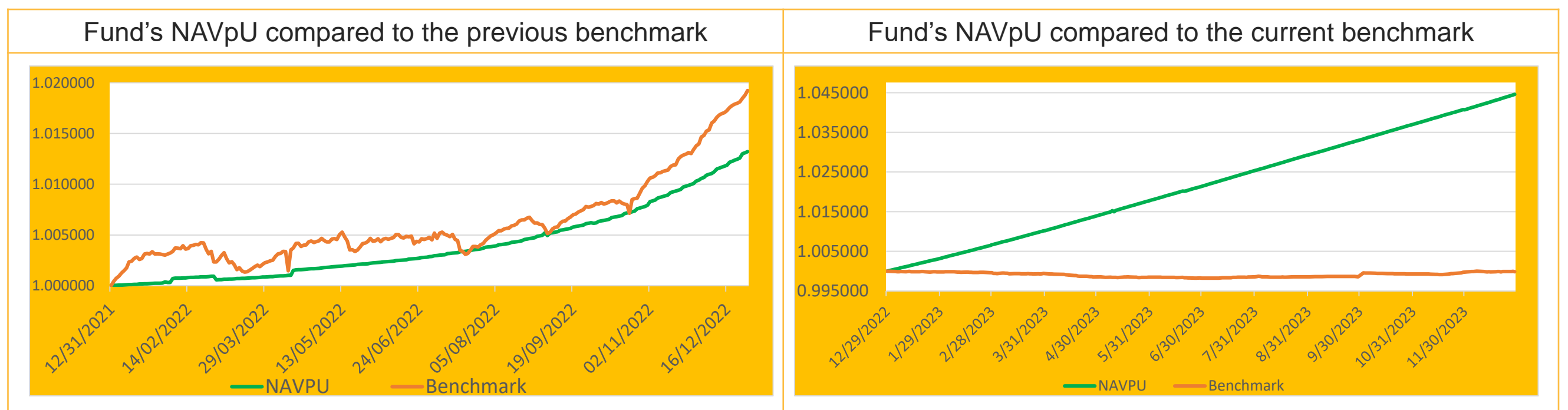
The fund was designed essentially for very conservative investors with frequent liquidity needs. Invested purely in deposit placements, the one-month benchmark would compare favorably with the yield of the fund.

### Change in the Benchmark

The amendment to the Fund's benchmark was approved by the LANDBANK Board of Directors on 21 November 2022 through Resolution No. 22-850.

| From   | To  |
|--|---|
| Percentage change in the Bloomberg Philippine Sovereign Bond Index Money Market or, in its absence, any relevant and industry-accepted benchmark | 1-month Bloomberg Valuation Service (BVAL) price or, in its absence, any relevant and industry-accepted benchmark |

### One Year Fund Performance Comparison



### Reason for the Change of the Fund's Benchmark

The LANDBANK Money Market Fund's allowable investment outlets are limited to special bank deposits, which makes it no longer comparable to the Bloomberg Philippine Sovereign Bond Index Money Market which is comprised of other fixed-income securities such as corporate bonds, government securities, and special bank deposits.

While the 1-mo BVAL is the benchmark with the shortest tenor. It is based on the 1-month prevailing market rate that comprises the front-end of the Philippine yield curve.

This makes the LANDBANK Money Market fund's return more comparable to the returns of the 1-Month BVAL.

For more information on the Fund's benchmark, contact your designated Trust Account Officer at (02) 8405-7351.