



LANDBANK

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LANDBANK BALANCED FUND

(Previously the UCPB Balanced Fund)

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

As of 30 June 2024

FUND FACTS

Classification	: Multi-Asset Fund	Net Asset Value per Unit	: 2.509466
Launch Date	: 05 March 2007	Total Fund NAV	: PhP 32,600,958.75
Minimum Investment	: PhP 1,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: PhP 1,000.00	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 : 0.437402%	Custodianship Fees : n/a	External Auditor Fees : n/a	Other fees : 0.007710%
LANDBANK	Standard Chartered		RTGS/PDTC fee/Brokers commission/ taxes on sale of equity shares

*As a percentage of average daily NAV for the quarter valued at PhP 32,503,775.48

INVESTMENT OBJECTIVE AND STRATEGY

The LANDBANK Balanced Fund seeks to provide long-term capital appreciation and income by investing in a mix of equities and fixed-income securities. (61% - 80% in equities)

CLIENT SUITABILITY

A *client profiling process* shall be performed prior to participating in the Fund to guide prospective investors 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 Balanced Fund is suitable only for investors who:

- have an Aggressive risk profile
- are seeking a simple way to achieve a diversified holding of stocks and fixed-income investments;
- are willing to accept moderate fluctuations in unit prices; and
- have 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 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.

Market/Price Risk. This is the possibility for an investor to experience losses due to changes in market prices of securities (e.g., bonds and equities).

Liquidity Risk. 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.

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) 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 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

LANDBANK BALANCED FUND

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

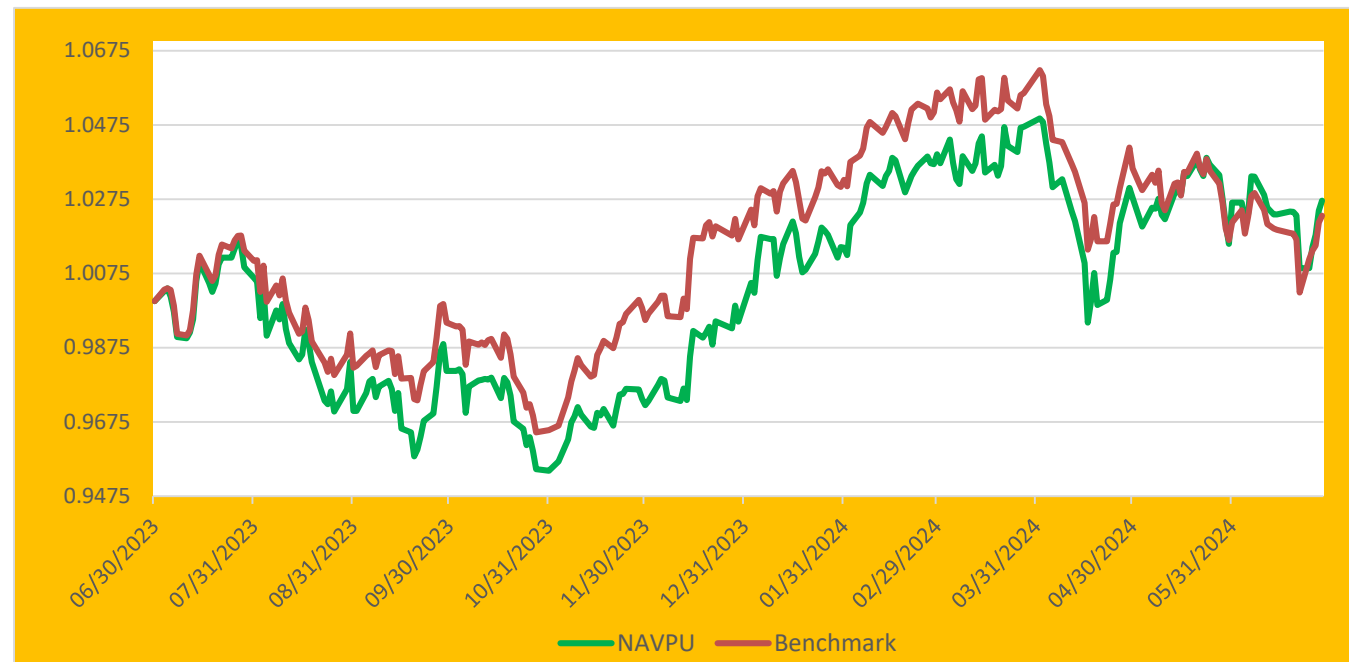
Tel. Nos. 8405-7351; 8405-7119; 8405-7100; 8405-7761

Email Addresses: New Accounts: TBDD@landbank.com

Existing Accounts: TRAMD@landbank.com

NAVPU GRAPH

ONE YEAR FUND PERFORMANCE

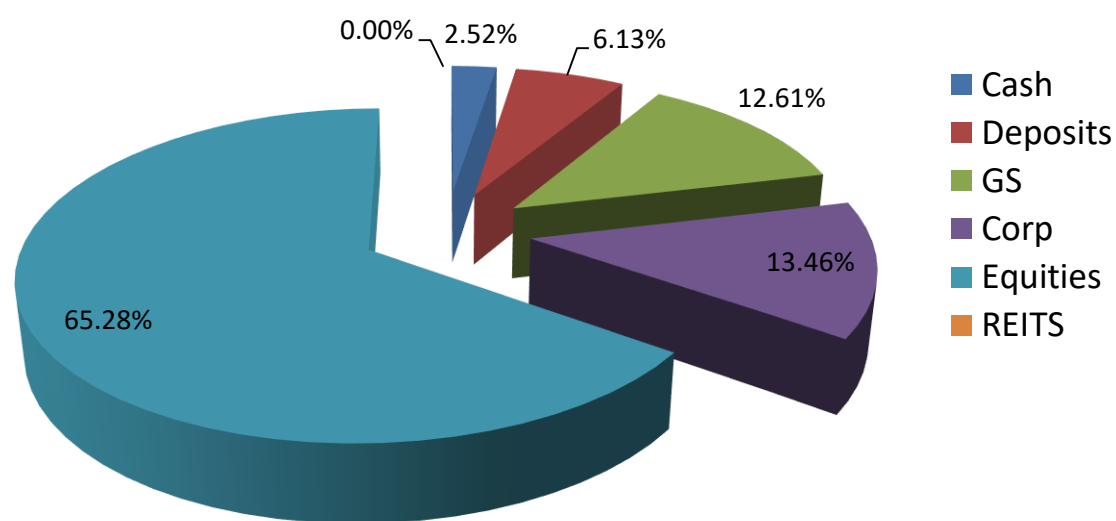


CUMULATIVE PERFORMANCE(%)¹

Period	1Mo	3Mos	6Mos	1Yr	3Yrs
Balanced Fund ²	0.06%	-1.90%	3.28%	2.71%	-0.91%
Benchmark ³	0.16%	-3.09%	0.60%	2.31%	3.16%

¹Past performance is not indicative of future performance
²Net of imputed Expected Credit Loss (ECL)
³Weighted Average Percentage change in the following:
a. Bloomberg Philippine Sovereign Bond Index 1 to 5 Years (Gross of tax) - 45%
b. Closing Philippine Stock Exchange Index (PSEi) (Gross of tax) - 50%
c. 1-month BVAL prices - 5%

PORTFOLIO COMPOSITION



NAVPU (Year-On-Year)

Highest	2.563499
Lowest	2.331650

STATISTICS

Weighted Ave Tenor ¹	4.47
Monthly Volatility ²	2.18%
Sharpe Ratio ³	-0.1964
Information Ratio ⁴	-0.2280

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

Issue	Maturity	% of Portfolio
Corporate Bond	17-Jul-25	4.44%
Corporate Bond	23-May-29	3.03%
Corporate Bond	26-Oct-31	2.63%
Deposits	01-Jul-24	2.52%
GS	27-Jul-30	2.44%
TOTAL		15.05%

EQUITIES

Issue	% of Portfolio
SM	5.57%
ICT	5.09%
MONDE	3.32%
MBT	2.89%
SCC	2.88%
TOTAL	19.76%

RELATED PARTY TRANSACTIONS

The Fund has deposits with LANDBANK amounting to 820,599.67 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

Multi-asset funds had to contend with a very tough operating environment as both the fixed-income and equity markets tanked in the second quarter. One figure that came out in April was enough to spook all foreign investors out of the local bourse after U.S. March headline inflation ticked up to 3.5%. This was a higher reading for the second month in a row, virtually dashing hopes of any Fed rate cuts in the second quarter. As a result, all three months of the second quarter saw net foreign fund outflows from the stock market, pulling the bourse sharply lower from the 6,979.81 peak at the onset to below 6,200 by the third week of June. Consequently, the fixed-income market also reacted negatively to the high U.S. inflation with yields exhibiting an upward bias.

VIEW STRATEGY

With the unpredictability of financial markets behavior, characterized by extreme volatility, the most sensible strategy for equities would be to exercise patience, time the market cycle, accumulate on major downswings and realize gains on sharp market rebounds. As for fixed-income, short positions are favorable given the flat yield curve and the market volatility. But when U.S. inflation dips below 3.0%, lock in the long-tenors.

Contact Details

For more information, visit, call or email
LANDBANK TRUST BANKING GROUP
31/F LANDBANK Plaza
1598 M.H. Del Pilar St. Malate, Manila 1004
Tel. Nos. 8405-7351; 8405-7119; 8405-7100; 8405-7761
Email : New Accounts: TBDD@landbank.com
Existing Accounts: TRAMD@landbank.com

Visit our website:

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



Trust Banking Group

Your Stewards for Growth and Good Governance

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, are 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/account, even if invested in government securities, is for the account of the trustor/investor. As such, funds of the trustor/investor, 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. 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.

UNIT INVESTMENT TRUST FUND

ABOUT THE LANDBANK BALANCED FUND'S BENCHMARK

Weighted Average Percentage change in the following:

- Bloomberg Philippine Sovereign Bond Index 1 to 5 Years - 45%
- Closing Philippine Stock Exchange Index (PSEi) - 50%
- 1-month BVAL prices - 5%

Description of the Benchmarks

The benchmark is a blend of the 2 major asset classes (equity and bond) in which the fund is invested in. However, to manage liquidity risk, the fund is also mandated to lodge 5% of its net assets in 30-day placements which is aptly mirrored by the 1-month BVAL.

Key Characteristics

- PSEi is characterized by high volatility with stocks being the underlying asset class it represents
- BPHIL15 is a fair representation of the fixed-income component of the fund
- 1-month BVAL represents the front-end of the Philippine yield curve reflecting the current rate on a 30-day fixed-income security

Relation of the benchmarks to the fund's objectives/investment strategies

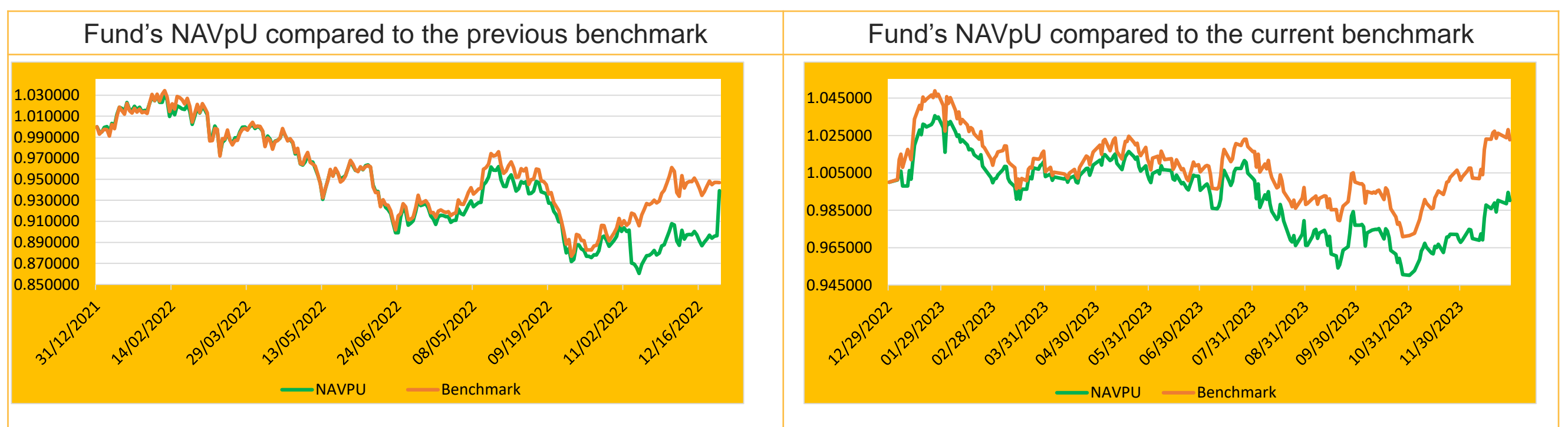
The blended benchmark of PSEI and the BPHIL15 is an accurate representation of the performance of the fund which is invested in equities and fixed-income. The 1-month BVAL, which is the third component reflects the 5% portion of the fund lodged in not more than 30-day placements.

Change in the Benchmark

The amendment to the Fund's benchmark was approved by the LANDBANK Board of Directors on 21 November through Resolution No. 22-851.

From	To
Composite return of the Philippine Stock Exchange Index, Bloomberg Philippine Sovereign Index (net) and 3-Month BVAL	Weighted average percentage change in the following indices: <ol style="list-style-type: none"> Bloomberg Philippine Sovereign Bond Index 1 to 5 Years - 45% Closing Philippine Stock Exchange Index (PSEi) - 50% 1-month BVAL prices - 5% or in the absence of any one of the indices, any relevant and industry-accepted benchmark.

One Year Fund Performance Comparison



UNIT INVESTMENT TRUST FUND

ABOUT THE LANDBANK BALANCED FUND'S BENCHMARK

Reason for the Change of the Fund's Benchmark

The amendment to use a blended benchmark for LANDBANK's Balanced Fund (addition of the 1-month BVAL) is part of the Trust Banking Group's regular product review and improvement. The blended benchmark considers the liquidity portion of the funds and makes the fund's return more comparable to the return of its benchmarks.

Additionally, as required by the BSP, the Declaration of Trust/Plan rules of each fund will now include detailed information about its benchmark. This information comprises of a description of the benchmark, its key characteristics, its relevance to the fund's objectives and investment strategies, and references/sources of information.

By amending and using a blended benchmark for LANDBANK Balanced Fund, clients will have a more realistic comparison of yield/return, as the benchmarks will now factor in the liquidity portion of the fund.

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