



**LANDBANK**

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**LANDBANK GLOBAL \$ FUND**

**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

*As of 31 December 2024*

**FUND FACTS**

Classification	: Fixed-Income Fund (Long-Term)	Net Asset Value per Unit	: 1.479064
Launch Date	: 13 March 2006	Total Fund NAV	: USD 500,092.68
Minimum Investment	: USD 1,000.00	Dealing Day	: Up to 12:00pm of any banking day
Additional Investment	: USD 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 : 0.127854%	Custodianship Fees : 0.007435%	External Auditor Fees : n/a	Other fees : 0.009208%
LANDBANK	Standard Chartered		GSRT fee

\*As a percentage of average daily NAV for the quarter valued at USD 514,470.37

**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* 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 Global \$ 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 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 investment is lower than the rate by which the prices of goods and services go up.

**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.

- 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 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**

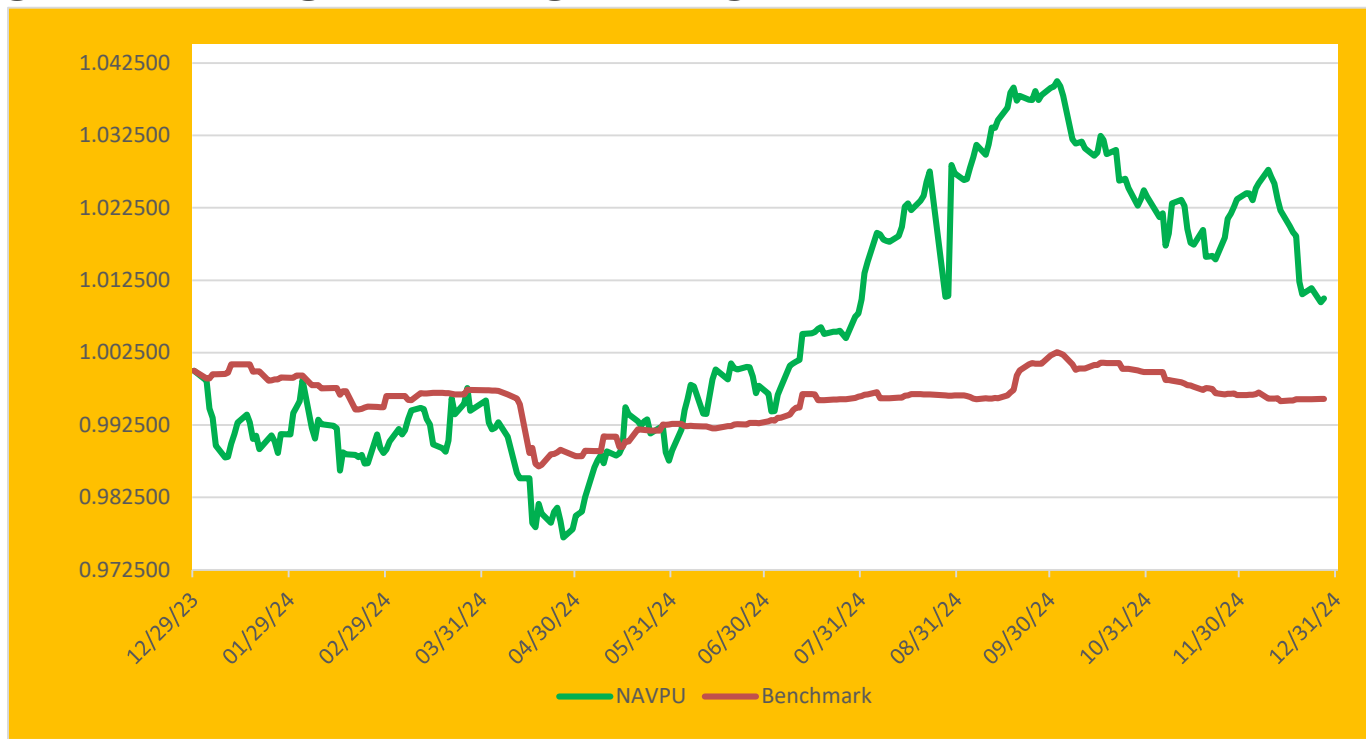
- **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
- **RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/FLUCTUATIONS ONLY**
- **WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT 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

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**NAVPU GRAPH**

**ONE YEAR FUND PERFORMANCE**



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

Highest	1.523028
Lowest	1.430753

**STATISTICS**

Weighted Ave Tenor	5.69
Monthly Volatility	1.39%
Sharpe Ratio	0.20
Information Ratio	0.70

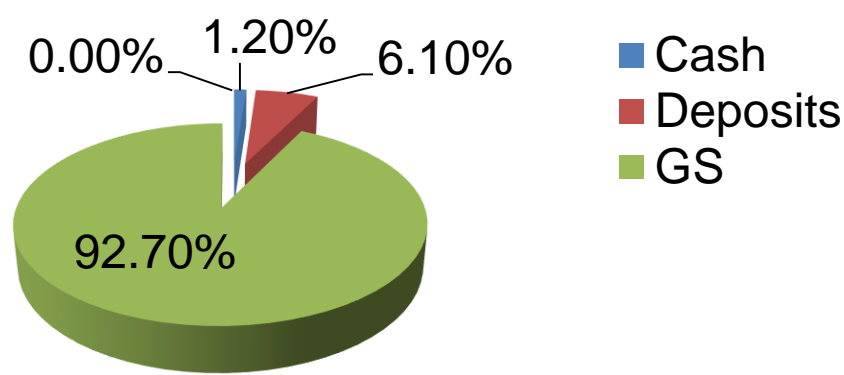
<sup>1</sup>Volatility measures the fluctuations in the yield. A higher value means more dispersion from the Fund's average yield.  
<sup>2</sup>Sharpe Ratio evaluates the return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.  
<sup>3</sup>Information 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	6 Mos	1Yr	3Yrs
Global \$ Fund <sup>2</sup>	-1.34%	-2.80%	1.21%	1.00%	2.21%
Benchmark <sup>3</sup>	-0.05%	-0.60%	0.34%	-0.39%	-0.76%

<sup>1</sup>Past performance is not indicative of future performance  
<sup>2</sup>Net of imputed Expected Credit Loss (ECL)  
<sup>3</sup>Weighted Average Percentage change in the following:  
 a. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) (Gross of tax) – 95%  
 b. 1-month U.S. Treasury (Gross of tax) – 5%

**PORTFOLIO COMPOSITION**



**MAJOR ASSET HOLDINGS**

Issue	Maturity	% of Portfolio
ROP	05/14/34	6.05%
ROP	07/17/33	13.98%
ROP	10/23/34	26.36%
ROP	07/17/28	8.03%
ROP	02/02/30	18.78%
<b>TOTAL</b>		<b>73.19%</b>

**RELATED PARTY TRANSACTIONS**

The Fund has deposits with LANDBANK amounting to 5,881.35 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**

The dollar-denominated bond market went through a lot of volatility in the final quarter of 2024 despite the monetary loosening stance of the U.S. central bank. Although U.S. inflation has gone down quite significantly from the peak reading of 9.1% registered back in June 2022, down to 2.9% as of December 2024, the U.S. Federal Reserve may have erred again in its monetary policy decisions, having cut rates aggressively by 50 basis points in September and two more 25 bps cuts in November and December. With looser monetary policy, interest rates should be going down; however, the opposite has been happening on fears that inflation could be re-ignited. The U.S. economy has churned out economic data that are predominantly strong and upbeat in 4Q2024. This suggests that inflationary pressures are still firmly entrenched and could linger for a much longer time than initially thought. The U.S. central bank seemingly turned a blind eye on inflationary economic data and kept cutting interest rates. Fears of resurgent inflation was underscored when 3Q2024 U.S. GDP growth rate was upwardly revised to 3.1% from 2.7%. With this, the Federal Reserve has dialed down its dot plot in 2025 to just two rate cuts. This goes without saying that if Trump's tariff plans and hawkish fiscal proclivity are to come to fruition, inflation would likely re-accelerate.

**VIEW STRATEGY**

The fight against inflation is not yet over. The stickiness of the number clearly indicates this. From 2.6% in October, U.S. inflation has inched up to 2.7% in November and 2.9% in December. And with a less restrictive monetary policy having been put in place under an environment of strong economic data, upward pressure on inflation is likely to build up again. Since Trump's policies are yet to be known, it would be a good idea to head for the sidelines until the first week of February 2025. Wait and see before committing to any long-term positions.

**Contact Details**

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



# UNIT INVESTMENT TRUST FUND

## ABOUT THE LANDBANK GLOBAL \$ FUND'S BENCHMARK

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Weighted Average Percentage change in the following:

- a. One-year ROP (i.e., the outstanding ROP series with remaining term greater than but nearest to 1 year) – 95%
- b. 1-month U.S. Treasury – 5%

### Description of the Benchmarks

- a. One-year ROP  
One-year ROP Treasury Bonds are dollar-denominated fixed-income securities issued by the Republic of the Philippines with a maturity period of one year. They are considered to be relatively low-risk investments, backed by the creditworthiness and repayment ability of the Philippine government.
- b. 1-month U.S. Treasury  
The shortest U.S. dollar benchmark tenor. Refers to the short-term debt instrument issued by the U.S. Department of the Treasury and has a maturity period of one month.

### Key Characteristics

- a. One-year ROP  
The One-year ROP Price is determined by assessing the change in the market value of the ROP bonds over the course of one year. This change is influenced by various factors such as market interest rates, credit ratings, and economic conditions. If the market value of the ROP bonds increases, it indicates a positive return, while a decrease suggests a negative return.

As a benchmark, the One-year ROP can serve as a reference point for evaluating the performance of investment funds or portfolios. Investors can compare the returns generated by the fund against the performance of these bonds to assess the performance of the fund.

- b. 1-month U.S. Treasury  
Are highly liquid instruments and are considered low-risk investments due to the creditworthiness of the U.S. government. They are backed by the full faith and credit of the U.S. government, making them virtually risk-free in terms of default.

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

The Fund aims to generate a relatively higher income through investments in Dollar-denominated fixed-income securities issued by the National Government and by local companies. To manage liquidity risk, the fund lodges 5% of net assets in 30-day placements.

As such, the weighted average of the one-year ROP (95%) and the 1-month U.S. Treasury Benchmark (5%) is the most appropriate composite benchmark for the fund's performance.

### References/sources of its detailed information

- Bloomberg Terminal
- Official website of the U.S. Department of the Treasury