

PBCOM PHP MONEY MARKET FUND

KEY INFORMATION & INVESTMENT DISCLOSURE STATEMENT | Dec 2023

FUND FACTS

Classification: Money Market Fund	Net Asset Value per Unit (NAVPU): 164.8259
Launch Date: August 4, 2005	Total Fund NAV: PHP 115.066 Million
Minimum Investment: PHP 5,000 (R class) PHP 1,000 (E class) PHP 20,000,000 (I class)	Dealing Cut-Off: 11:00 AM
Additional Investment: PHP 1,000 (R, E and I class)	Redemption Settlement: 1 banking day (T+1)
Minimum Holding Period: 30 calendar days (R and I class) 360 calendar days on initial investment (E class)	Early Redemption Charge: 0.125% of Redemption Value: (R and I class) No early redemption fee: (E class)

FEES

Trust fees: 0.50% p.a. (R class) 0.30% p.a. (E class) 0.25% p.a. (I class)	External auditor fees*: 0.06% p.a.	Third party custodian fees*: 0.002% p.a.
PBCOM Trust & Wealth Management Group	SGV & Co.	NROSS/PDTC

*Calculated based on the total annual fees for the previous year divided by the average monthly NAV of the previous year.

INVESTMENT OBJECTIVE AND STRATEGY

The Fund is a Philippine Peso denominated Unit Investment Trust Fund (UITF) which aims to preserve capital and generate income from short-term PHP-denominated securities. The fund aims to provide investors a vehicle for short-term placement principally in bank deposits and fixed income securities with remaining terms to maturity of not more than three (3) years and has a weighted average portfolio life of one (1) year or less.

CLIENT SUITABILITY

A client profiling process should be performed prior to participating in the Fund to guide the 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 PBCOM PHP Money Market Fund is suitable **only** for investors who:

- Have a **minimum** conservative risk profile
- Have a short term horizon
- Who seek safe and liquid investments with yields higher than savings and time deposits

KEY RISK AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

- **Interest Rate Risk.** This is the possibility for an investor to experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing 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). It is the exposure to the uncertain market value of a portfolio due to price fluctuations.
- **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. These may be caused by different reasons such as trading in securities with small or few outstanding issues, absence of buyers, limited buy/sell activity or underdeveloped capital market.
- **Credit/Default Risks.** This is 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 form of security which the borrower issued.
- **Reinvestment Risks.** This is the risk associated with the possibility of having lower returns or earnings when maturing funds or the interest earnings of funds are reinvested.
- **Foreign Exchange Risks.** This is the possibility for an investor to experience losses due to fluctuations in foreign exchange rates. The exchange rates depend upon a variety of global and local factors, e.g., interest rates, economic performance, and political developments.
- **Country Risks.** This is the possibility for an investor to experience losses arising from investments in securities issued by/ in foreign countries due to the political, economic and social structures of such countries.
- **Regulatory Risks.** Changes in laws and regulations that could adversely affect the value and return of the investment.
- **Other Risks.** This is the risk of potential conflict of interest in a related party transaction.

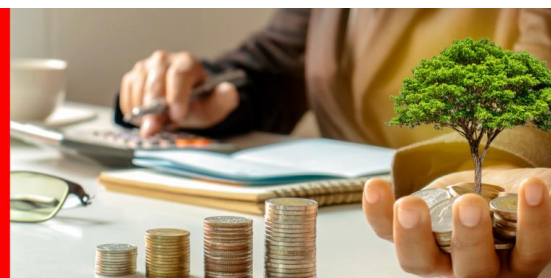
- ◆ The UITF is a trust product and not a deposit account, and is not insured nor governed by the PDIC.
- ◆ The UITF is not an obligation of, nor guaranteed, nor insured by the trust entity or its affiliates or subsidiaries.
- ◆ Due to the nature of the investments of a UITF, the returns/yields cannot be guaranteed. Historical performance, when presented, is purely for reference purposes and is not a guarantee of similar future performance.
- ◆ Any losses and income arising from market fluctuations and price volatility of the securities held by the UITF, even if invested in government securities, are for the account of the client. As such, the units of participation of the client in the UITF, when redeemed, may be worth more or worth less than his/her initial investment/contribution.
- ◆ The trustee is not liable for losses unless upon willful default, bad faith, or gross negligence.
- ◆ The investor must read the complete details of the fund in the UITF's Plan Rules, make his/her own risk assessment, and when necessary, seek an independent/professional opinion before making an investment.



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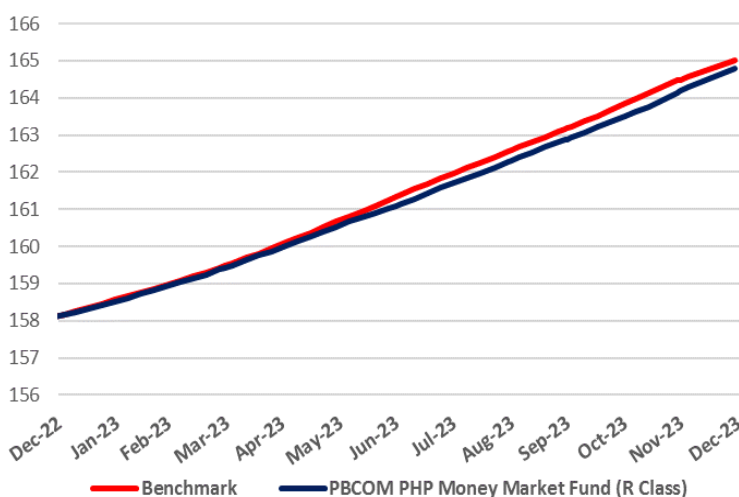
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FUND PERFORMANCE AND STATISTICS *(Purely for reference purposes and not a guarantee of future results)*

NAVPU Graph (Fund's NAVPU vs Benchmark)



NAVPU over the past 12 months

	Date	NAVPU
Highest	Dec 31, 2023	164.8259
Lowest	Dec 31, 2022	158.1212

Statistics

Weighted Ave. Duration	0.084135
Volatility, Past 1 Year*	0.18%
Sharpe Ratio**	0.52%
Information Ratio***	2.36000

*Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.

**Sharpe ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

***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.

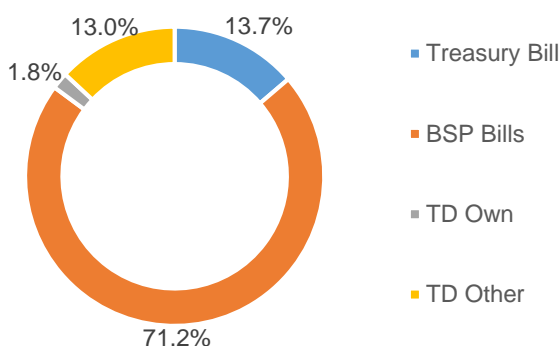
Cumulative Performance¹

Period	1 mo	3 mos	6 mos	1 yr	3 yrs	YTD	Since Inception
R Class ²	0.38%	1.19%	2.31%	4.24%	5.25%	4.24%	64.83%
E Class ³	0.40%	1.26%	2.39%	-	-	-	-
I Class ⁴	0.40%	1.28%	-	-	-	-	-
Benchmark ⁵	0.36%	1.15%	2.31%	4.39%	7.13%	4.39%	51.01%

¹Rates shown are absolute for the R class. ² Net of 0.50% Trust Fees. ³ Net of 0.30% Trust Fees. ⁴ Net of 0.25% Trust Fees. Past Performance is not indicative of future returns ⁵Benchmark is the Year to Date Average yield of the 91-day T-Bill, net of tax. Additional information on the benchmark may be accessed through www.treasury.gov

PORTFOLIO MIX

Composition



Top 10 Holdings	% to NAV
Treasury Bill 04/03/24	13.7%
RCBC TD 01/03/24	13.0%
BSP Bill 01/02/24	13.0%
BSP Bill 01/16/24	10.4%
BSP Bill 02/06/24	10.4%
BSP Bill 02/13/24	10.3%
BSP Bill 01/09/24	8.7%
BSP Bill 02/20/24	8.5%
BSP Bill 01/16/24	5.2%
BSP Bill 01/23/24	4.8%
Total	98.0%

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper amounting to PHP 2,067,463.08 which was approved by the Trust Committee. Likewise, all related parties transactions are conducted on an arm's length basis.

PROSPECTIVE INVESTMENTS

The following are among the Fund's approved investment outlets where the Trustee intends to invest in depending on its availability or other market driven circumstances: Government Securities, Time Deposits.

MARKET UPDATE

Headline inflation for December fell to 3.9% from 4.1% in November. This was better than market expectations of 4.0% and near the low-end of the BSP's forecast range of 3.6% to 4.4%. On a month-on-month basis, headline CPI rose at 0.2% for the month, broadly the same rate as in November. Rice inflation grew at a faster MoM rate of 3.5% in December from 2.7% in November and accounted for bulk of the acceleration in food items. For the year, average inflation stood at 6.0%, above the government's target range of 2-4%. Inflation is widely expected to fall within the 2-4% target range within 2024, however, upside risks still remain due to volatile oil prices and the potential effects of El Nino.

On monetary policy, the BSP recognizes the need for interest rates to remain sufficiently elevated in order to keep inflation in check. In terms of market expectation, the BSP is expected to consider cutting rates in the second quarter of 2024, with cumulative rate cut forecasts ranging from 100 to 150 bps for the year.

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