

PBCOM USD MONEY MARKET FUND

KEY INFORMATION & INVESTMENT DISCLOSURE STATEMENT | Dec 2023

FUND FACTS

Classification: Money Market Fund
Launch Date: October 14, 2022
Minimum Investment: USD 500
Additional Investment: USD 500
Minimum Holding Period: 30 calendar days

Net Asset Value per Unit (NAVPU): 102.8630
Total Fund NAV: USD 30,290.35
Dealing Cut-Off: 11:00 AM
Redemption Settlement: 3 banking days (T+3)
Early Redemption Charge: 0.125% of Redemption Value

FEES

Trust fees: 0.50% p.a.

PBCOM Trust & Wealth
Management Group

External auditor fees*: 0.96% p.a.

SGV & Co.

Third party custodian fees*: 0.002% p.a.

Landbank Trust

*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 US Dollar denominated Unit Investment Trust Fund (UITF) which aims to preserve capital and generate income from short-term USD-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 USD 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.

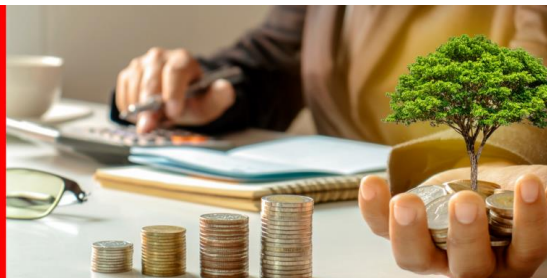
- ◆ The UITF is a trust product and not a deposit account, and is not insured nor governed by the PDIC.
- ◆ The UITF is not an obligation of, nor guaranteed, nor insured by the trust entity or its affiliates or subsidiaries.
- ◆ Due to the nature of the investments of a UITF, the returns/yields cannot 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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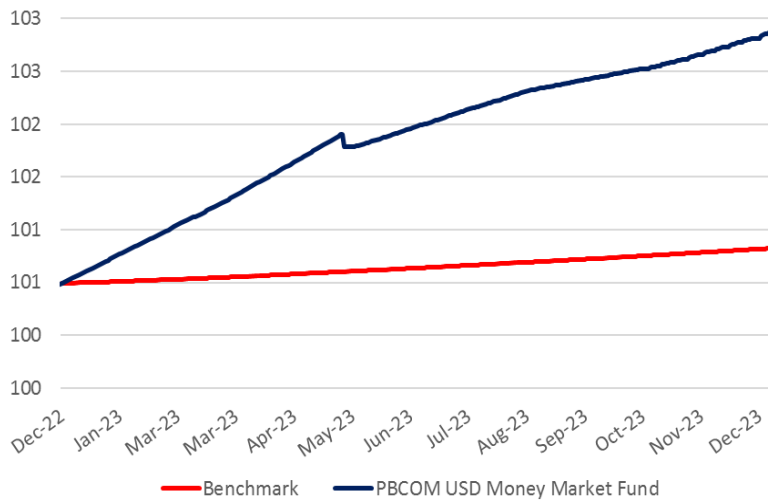
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FUND PERFORMANCE AND STATISTICS *(Purely for reference purposes and not a guarantee of future results)*

NAVPU Graph (Fund's NAVPU vs Benchmark)



NAVPU over the past 12 months

| | Date | NAVPU |
|----------------|-------------------|----------|
| Highest | December 31, 2023 | 102.8630 |
| Lowest | December 31, 2022 | 100.4935 |

Statistics

| | |
|---------------------------------|----------|
| Weighted Ave. Duration | 0.037719 |
| Volatility, Past 1 Year* | 0.24% |
| Sharpe Ratio** | 2.41% |
| Information Ratio*** | 1.04359 |

*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 | YTD | Since Inception |
|------------------------------|-------|-------|-------|-------|-----------------|
| Fund² | 0.17% | 0.42% | 0.88% | 2.36% | 2.86% |
| Benchmark³ | 0.03% | 0.10% | 0.19% | 0.33% | 0.36% |

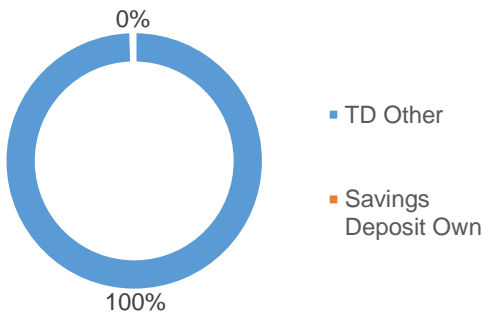
¹Rates shown are absolute. ²Net of 0.50% Trust Fees. Past Performance is not indicative of future returns

³Benchmark is the Year To Date Average of the Philippines USD Savings Deposit Rate (PPSDUS\$ Index), net of tax.

Additional information on the benchmark may be accessed through www.bsp.gov.ph

PORTFOLIO MIX

Composition



| Top 10 Holdings | % to NAV* |
|------------------|---------------|
| RCBC TD 01/05/24 | 30.6% |
| RCBC TD 01/10/24 | 27.3% |
| RCBC TD 01/29/24 | 22.3% |
| RCBC TD 01/17/24 | 13.3% |
| RCBC TD 01/12/24 | 6.8% |
| Total | 100.1% |

*Composition and top holdings are expressed as a percentage of the Net Asset Value (NAV) of the fund

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper amounting to USD 98.31 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

US headline inflation rose by 3.4% in December, higher than the 3.1% registered in November. This was also higher than market expectations of 3.2%. Much of the increase came from rising shelter costs. The category rose 0.5% for the month and accounted for more than half of the core CPI increase. Wages adjusted for inflation posted a 0.2% gain on the month, while rising a modest 0.8% from a year ago. Core inflation, which strips out volatile energy and food prices, declined to an annual rate of 3.9% in December from 4.0% in November.

On monetary policy, the US Fed has sounded a bit dovish recently, leaving the door open for rate cuts possibly sooner compared to initial indications. The market, however, appears more dovish and is pricing in around 150 bps in rate cuts for 2024 with the first one to come either in March or May.

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