

# Unit Investment Trust Funds

## METROBANK PERA EQUITY FUND KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended August 31, 2021

### FUND FACTS

<b>Classification:</b>	Equity	<b>Net Asset Value per Unit (NAVPU):</b>	1.035726
<b>Launch Date:</b>	October 1, 2020	<b>Total Fund NAV (in Php Mns):</b>	5.41
<b>Trust Fee (per annum):</b>	1.0% based on NAV	<b>Dealing Day:</b>	12NN, any banking day
<b>Minimum Investment:</b>	Php5,000	<b>Redemption Settlement:</b>	3 Banking Days after date of redemption
<b>Additional Investment:</b>	Php5,000	<b>Early Redemption Charge:</b>	50% of income on redeemed amount
<b>Minimum Holding Period:</b>	30 calendar days from date of participation		

### COOLING-OFF PERIOD

Pursuant to BSP Circular No. 857, the TRUSTOR (individual participants) shall have the right to cancel their initial subscriptions or contributions, without penalty, upon written notice to the Trustee within two (2) banking days immediately following the signing of agreement or contract evidencing their participation in the Fund. Further, the net amount of payment or delivery due the TRUSTOR shall be based on the transaction day's NAVPU when notice of redemption, termination or cancellation was received.

### FEES COLLECTED FOR THE MONTH<sup>1</sup>

Trustee Fees:	Custodianship Fees:	External Auditor Fees:	Other Fees:
<b>0.089%</b>	<b>0.000%</b>	<b>0.088%</b>	<b>0.053%</b>
<i>Metrobank-Trust Banking Group</i>	<i>Standard Chartered Bank</i>	<i>SGV &amp; Co.</i>	<i>Others</i>

<sup>1</sup> As a percentage of average daily NAV for the month valued at (in Php Mns): **5.11**

### INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to achieve for its participants maximum growth from a portfolio of diversified equities listed at the Philippine Stock Exchange (PSE) which the Fund are tax-exempt in accordance with the PERA Law. The Fund's composite benchmark is composed of Philippine Stock Exchange Index.

### CLIENT SUITABILITY

A client profiling process is 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 encouraged to update the resulting profile every three (3) years or if there's any change in his/her personal/financial circumstances. Before deciding to invest, clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, or seek an independent/professional opinion when necessary.

### The METROBANK PERA EQUITY FUND is suitable only for investors who:

- Have an Aggressive profile.
- Want capital growth over the long-term and are willing to be exposed to a higher level of risk that may involve possible loss of principal in the short-term in exchange for higher long-term gains.
- Recommended investment horizon is at least five (5) years
- Filipino individuals with legal capacity to contract and possesses a Tax Identification Number (TIN)

### 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.

<b>Interest Rate Risk:</b>	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.
<b>Market/Price Risk:</b>	The possibility for an investor to experience losses due to changes in the market prices of bonds. It refers to the portfolio's exposure to marked-to-market valuation due to market price fluctuations of the bonds.
<b>Liquidity Risk:</b>	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 price that could result in a loss. This may be caused by low trading volume due to different reasons such as securities with small or few outstanding issues, absence of buyers and/or sellers (limited buy/sell activity) or underdeveloped capital market.
<b>Credit Risk / Default Risk:</b>	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 fixed income security which the borrower issued. This inability of the borrower or counterparty to make good on its financial obligations may have resulted from adverse changes in its financial condition thus, lowering credit quality of the security, and consequently lowering the price (market/price risk) which contributes to the difficulty in selling such security.
<b>Reinvestment Risk:</b>	The possibility of having lower returns or earnings when funds mature and are reinvested. Investors in the UITF who redeem and realize their gains run the risk of reinvesting their funds in an alternative investment outlet with lower yields. Similarly, the UIT fund manager is faced with the risk of not being able to find better yielding alternative investment outlets as some of the securities in the fund matures.
<b>Other Risks:</b>	Your participation in the UITFs may be further exposed to the risk of any actual or potential conflicts of interest in the handling of in-house or related party transactions by Metrobank. These transactions may include own-bank deposits; purchase of own-institution or affiliate obligations (stocks, mortgages); purchase of assets from or sales to own institution, directors, officers, subsidiaries, affiliates or other related interests/parties; or purchases or sales between fiduciary/managed accounts.

The Fund invests only in high-credit quality assets which are evaluated using a rigorous internal scoring model required under the Trustee's accreditation process and BSP regulations. Internal risk limits and position limits together with regulatory exposure limits are monitored, reviewed and strictly adhered to on a daily basis. The Fund may also use financial derivatives solely for hedging risk exposures.

**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 MOVEMENTS/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.**



For other details, you may visit our website at [www.metrobank.com.ph](http://www.metrobank.com.ph) or contact us at 8-8700-700 or email us at [customercare@metrobank.com.ph](mailto:customercare@metrobank.com.ph)

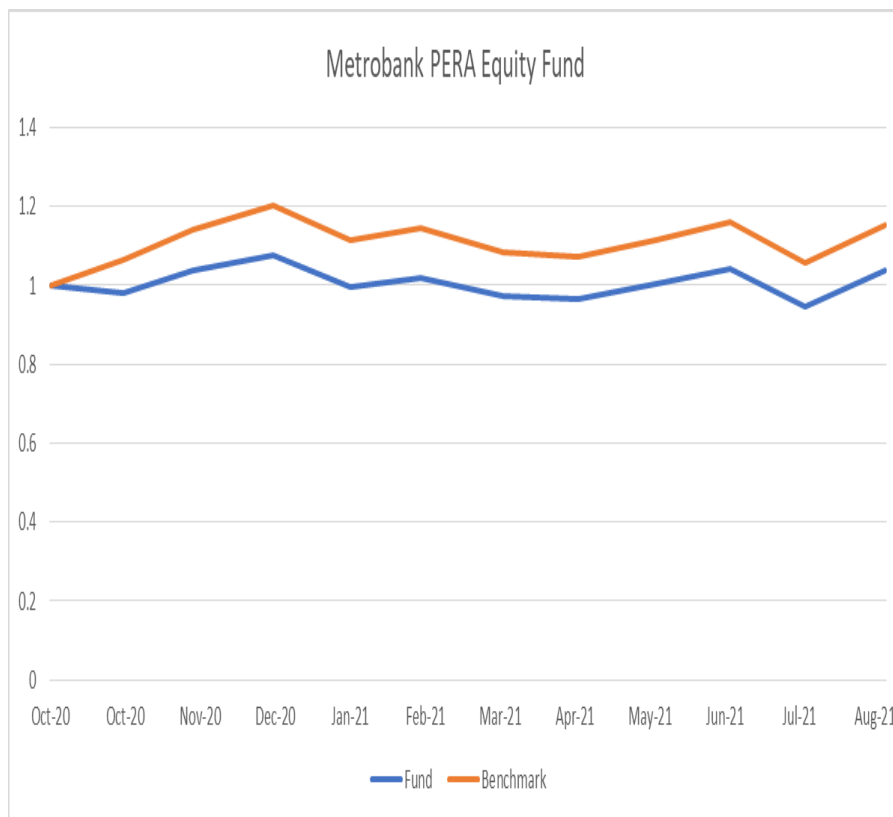


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## FUND PERFORMANCE AND STATISTICS as of August 31, 2021

(Purely for reference purposes and is not a guarantee of future results)

### NAVPu GRAPH



### NAVPu OVER THE PAST 12 MONTHS

Highest	1.104090
Lowest	0.936910

### STATISTICS<sup>1</sup> (MoM)

Weighted Average Duration (in years)	N/A
Volatility, Past 1 Year (in %) <sup>2</sup>	7.87%
Sharpe Ratio <sup>3</sup>	1.21
Information Ratio <sup>4</sup>	0.59

<sup>1</sup> Volatility, Sharpe Ratio and Information Ratio metrics is computed based on available data in past 1 month.

<sup>2</sup> Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time. The lower the number, the more stable the Fund's return is relative to its average return over time. Starting December 2017, computation is based on the annualized standard deviation of monthly returns.

<sup>3</sup> 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.

<sup>4</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

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>Fund</b>	9.618%	3.296%	1.676%	N/A	N/A	N/A	3.573%
<b>Benchmark</b>	9.333%	3.424%	0.892%	N/A	N/A	N/A	15.317%

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Equities	98.83%
Time Deposits	1.17%
Cash	0.02%
Other Receivables - Net of Liabilities <sup>5</sup>	-0.03%

<sup>5</sup> Includes accrued income from investments, receivables from brokers/counterparties and unpaid expenses.

### Sector Holdings

Sector	% of Fund
Holdings	32.70%
Properties	19.76%
Services	17.07%
Financials	15.93%
Industrials	14.53%

### TOP 10 HOLDINGS

Name	% of Fund
1. SM	14.37%
2. SMPH	10.06%
3. ALI	7.62%
4. AC	6.60%
5. BDO	6.10%
6. ICT	6.02%
7. JGS	5.28%
8. BPI	5.23%
9. URC	4.46%
10. TEL	3.39%

### RELATED PARTY TRANSACTIONS

Related Party	Transaction	Market Value (in Php Mns)
MBTC	Time Deposit Placement	0.06
MBTC	Shares of Stock	0.15
GT Capital	Shares of Stock	0.10
MPI	Shares of Stock	0.07

Investments in the said outlets were approved by the Trust Committee. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.



For other details, you may visit our website at [www.metrobank.com.ph](http://www.metrobank.com.ph) or contact us at 8-8700-700 or email us at [customer@metrobank.com.ph](mailto:customer@metrobank.com.ph)



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## INVESTMENT POLICY

The Fund may be invested and reinvested in the following instruments:

- Equities listed in the PSE
- Deposits
- Other investments allowed under BSP regulations

## OUTLOOK AND STRATEGY

Foreigners were back as net buyers in August to the tune of about \$32.7 Mn- reversing the continued net outflows for the past 21 months thus debunking the sluggish ghost month expectations. The PSEi trekked steeply by +585pts or +9.3% MoM to end at 6,855 with the average daily turnover increasing to \$150 Mn from the previous month's \$117 Mn brought by the PSEi and MSCI rebalancing that occurred.

GDP results for 2Q shed a light in the economic recovery of the country at +11.8% YoY while QoQ figure of -1.3% was due to the ECQ experienced in the first quarter. Food and non-alcoholic beverages climbed sharply for the month thus pushing the CPI print for August to accelerate to 4.9% from July's 4% figure. On the PSEi front, the index was reconstituted with ACEN and CNVRG replacing DMC and EMP. The Philippine local stock market also debuted its third listed REIT, FILRT- at the IPO price of P7, FILRT guided about 6.6% dividend yield for 2022.

The market has yet to see the effectiveness of the newly introduced granular lockdowns of the government, still backed by the persistent vaccination drive in order to fight the pandemic. Moreover, corporate fund raising activities such as RCR and MREIT could prompt near-term profit taking in the market.

## IMPORTANT NOTICE

Metropolitan Bank and Trust Company is regulated by the Bangko Sentral ng Pilipinas (BSP). For any inquiries and complaints relating to Trust Products and Services you may (1) call our hotline: 8-8700-700 (Mondays-Fridays from 9:00am to 6:00pm); (2) send an email to [customercare@metrobank.com.ph](mailto:customercare@metrobank.com.ph); or (3) visit our website at <https://www.metrobank.com.ph/invest/uitf> to know more. You may also file complaints at BSP Financial Consumer Protection Department at (632) 8708-7087 or [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph). To know your rights under BSP Circular No. 857 (Regulations on Financial Consumer Protection), please access a copy at the BSP website ([www.bsp.gov.ph](http://www.bsp.gov.ph)).



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