

UNIONBANK OF THE PHILIPPINES

UNIONBANK PESO FIXED INCOME PORTFOLIO

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

June 30, 2015

FUND FACTS

Classification:	Medium-term Bond Fund	Net Asset Value per Unit (NAVPU):	Php 247.60009100
Launch Date:	January 12, 2004	Total Fund NAV:	Php 2,507,396,970.76
Minimum Investment:	Php 100,000	Dealing Day:	Daily up to 12 noon
Additional Investment:	Not Applicable	Redemption Settlement:	One (1) banking day after initial notice
Minimum Holding Period:	90 calendar days	Early Redemption Charge:	0.25% flat on the redeemed amount or Php 500 whichever is higher

FEES* Special Reimbursable Expenses, if any

Trustee Fees ¹ : 1% per annum; 0.28% for the quarter	Custodianship Fees ¹ : 0.004% for the quarter HSBC, Ltd Philippines	External Auditor Fees ¹ : .0019% for the quarter Punongbayan and Araullo
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*As a percentage of daily NAV.

INVESTMENT OBJECTIVES *The UnionBank Peso Fixed Income Portfolio is a peso-denominated fund designed to provide investor higher returns than traditional fixed-income savings products.*

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 *UnionBank Peso Fixed Income Portfolio* is suitable only for investors who:
 - Participation in the Fund shall be open to all individuals of legal age and corporations with a medium to long-term investment horizon with a *moderately conservative risk* profile. Every participant shall be subjected to a Client Suitability Assessment.

KEY RISKS AND RISK MANAGEMENT

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

Some of the key risks associated with this Fund are listed below:

- **Market/Price Risk:** Possibility to experience losses due to adverse changes in market prices of securities
- **Liquidity Risk:** Possibility to experience losses due to the fund's inability to convert assets into cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price

The Fund's investment outlets undergo proper screening and evaluation in accordance with the Trustee's accreditation process and minimum regulatory requirements. Regulatory exposure limits and asset allocation ranges as provided in the Fund's Plan Rules are strictly adhered to and monitored on a regular basis.

- ❖ 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

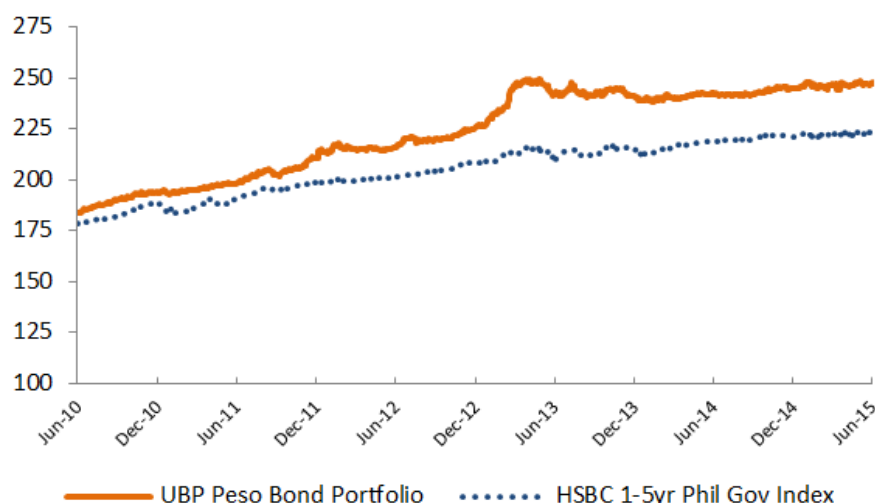
¹ All fees are accrued daily against the fund's total market value

FUND PERFORMANCE AND STATISTICS AS OF June 30, 2015

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

NAVPu Graph

Net Asset Value per Unit

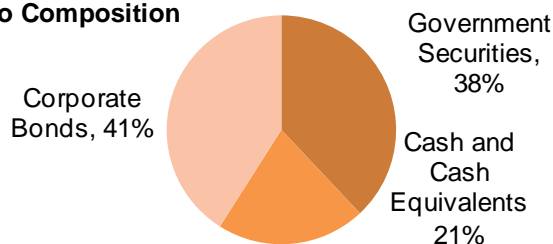


Fund Performance Vs. Benchmark (%)

Period	Cumulative Return						Annualized Return	
	1mos	3mos	6mos	YTD	YOY	3yrs	3 yrs	5 yrs
Fund	-0.14%	0.26%	0.99%	0.99%	2.07%	14.47%	4.61%	6.16%
Benchmark*	0.16%	0.20%	1.01%	1.01%	2.19%	11.10%	3.57%	4.64%

* HSBC 1-5 Yr Phil Bond Index

Portfolio Composition



NAVPu over the past 12months

Highest	248.4586030
Lowest	241.2692652

Statistics

Weighted Ave. Duration	3.9712
Volatility, Past 1 Year *	6.28%
Shape Ratio**	0.11
Information Ratio***	-0.05

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

**Sharpe Ratio is used to characterize how well the return of Fund compensates the investor for the level of risk taken. The higher the number, the better. (Risk Free rate = 1.3600%)

*** 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.

Top Ten Holdings (%)

FXTN 20-17 8.000	20.70%
07/19/2031	
PSALM 7.750	10.51%
04/22/2017	
GLOPM 6.000	10.16%
06/01/2019	
FLIPM 6.2731	6.53%
06/08/2019	
SMBPM 6.600	5.11%
04/02/2022	
FMICPM 5.750	4.14%
08/10/2019	
DBP 5.750 09/22/2022	4.10%
RTB 15-01 6.250	2.72%
10/20/2026	
ACPM 5.450 11/23/2019	2.12%
MERPM 4.3750	1.96%
12/12/2020	
Total	68.05%

RELATED PARTY TRANSACTIONS

The Fund has no trade transactions and outstanding investment in the issuances of companies related to UnionBank of the Philippines. Related party in accordance with UnionBank of the Philippines' internal policy.

OUTLOOK AND STRATEGY

The UnionBank Peso Fixed Income Portfolio is a peso-denominated fund that seeks capital preservation and the total return of a diversified portfolio of primarily investment-grade fixed-income instruments.

Investments on the above-mentioned instruments/funds shall be subject to existing BSP regulations on the exposure limit to single person/entity/issuer. For more information, you can view our latest monthly fund performance reports at www.unionbankph.com.