

## UNIONBANK OF THE PHILIPPINES

## UNIONBANK DOLLAR BOND PORTFOLIO

## KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

June 30, 2015

## FUND FACTS

<b>Classification:</b>	Medium-term Dollar Bond Fund	<b>Net Asset Value per Unit (NAVPU):</b>	Usd 2.01639100
<b>Launch Date:</b>	January 12, 2004	<b>Total Fund NAV:</b>	Usd 10,117,719.36
<b>Minimum Investment:</b>	Usd 2,000	<b>Dealing Day:</b>	Daily up to 12 noon
<b>Additional Investment:</b>	Not Applicable	<b>Redemption Settlement:</b>	One (1) Banking day after initial notice
<b>Minimum Holding Period:</b>	90 calendar days	<b>Early Redemption Charge:</b>	0.25% flat on the redeemed amount or Usd 10 whichever is higher

## FEES\* Special Reimbursable Expenses, if any

Trustee Fees <sup>1</sup> : 0.75% per annum; 0.21% for the quarter	Custodianship Fees <sup>1</sup> : 0.004% for the quarter  HSBC, Ltd Philippines	External Auditor Fees <sup>1</sup> : 0.020% for the quarter  Punongbayan and Araullo
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\*As a percentage of daily NAV.

**INVESTMENT OBJECTIVE** *The UnionBank Dollar Bond Portfolio is a US Dollar-denominated fund designed to provide investors with higher returns than traditional fixed-income savings products. Earnings volatility is kept at moderate levels, through disciplined investment selection and tenor diversification.*

## 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 Dollar Bond 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 for the purpose of profiling the risk and return orientation of the participant.

## 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

For any queries, you may call UnionBank-Trust and Investment Services Group at 667-6388 or visit our website at

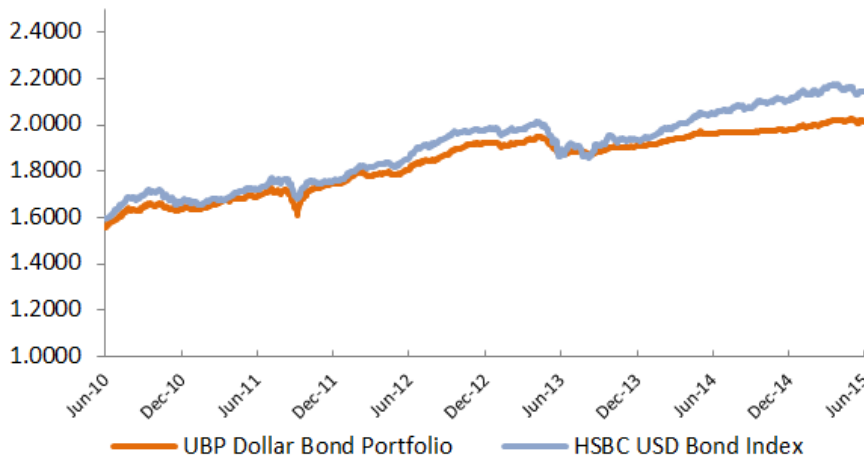
[www.unionbankph.com](http://www.unionbankph.com)

## 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

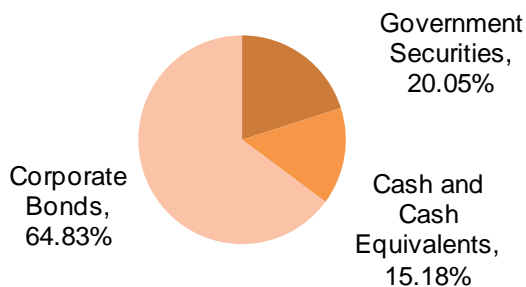


### Fund Performance Vs. Benchmark (%)

Period	Cumulative Return						Annualized Return	
	1mos	3mos	6mos	YTD	YOY	3yrs	3yrs	5yrs
Fund	-0.38%	0.31%	1.88%	1.88%	2.76%	11.42%	3.67%	5.26%
Benchmark*	-0.86%	-0.72%	1.73%	1.73%	4.46%	15.42%	4.90%	6.06%

\*HSBC USD Bond Index

### Portfolio Composition



### NAVPu over the past 12months

Highest	2.0250175
Lowest	1.9631168

### Statistics

Weighted Ave. Duration	4.0255
Volatility, Past 1 Year *	1.29%
Shape Ratio**	2.07
Information Ratio***	0.14

\*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 = 0.0771%)

\*\*\* 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 (%)

VLLPM 6.750	
10/04/2018	9.93%
AGIPM 6.500	
08/18/2017	8.58%
TRAVPH 6.900	11/03/17
8.19%	
ROP 40 USD 3.950	
01/20/2040	7.61%
BDO 3.875	04/22/2016
7.42%	
ROP 37 USD 5.000	
01/13/2037	6.98%
ROP 24NEW USD 4.200	
01/21/2024	5.46%
SMCPM 7.000	
01/28/2016	5.43%
SMPM 5.500	10/13/2017
5.22%	
VLLPM 7.450	
04/29/2019	5.17%
<b>Total</b>	<b>70.00%</b>

### RELATED PARTY TRANSACTIONS

The Fund has investments in UnionBank of the Philippines (UBP) time deposits.

### OUTLOOK AND STRATEGY

The UnionBank Dollar Bond Portfolio is a US Dollar-denominated fund that seeks the total return of a diversified portfolio of foreign currency 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](http://www.unionbankph.com).