

## UnionBank Trust and Investment Services Group

### UBP Dividend Play Equity Portfolio as of August 31, 2014

#### Investment Objective

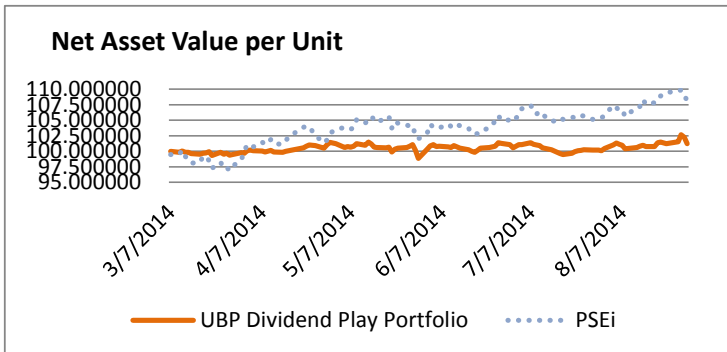
The UnionBank Dividend Play Equity Portfolio is a peso-denominated fund that invests in dividend yielding equity securities listed in the Philippine Stock Exchange Index (PSEi). The portfolio has an equity-income /growth strategy that invests in stock of well established companies that have a history of regular dividend payments and potential for capital appreciation. Income strategy counteracts the volatility of the portfolio.

#### Fund Performance

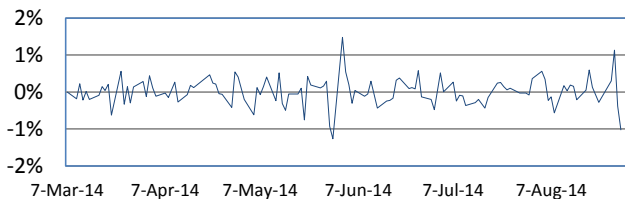
Calendar Absolute Returns*	Dividend Play	PSEi Index
YTD	1.22%	19.71%

\*Returns are reported net of fees.

Net Asset Value (NAV)	NAV Per Unit (NAVpu)
Php 154.884 Million	Php 101.217111
Par Value: Php 100.00	



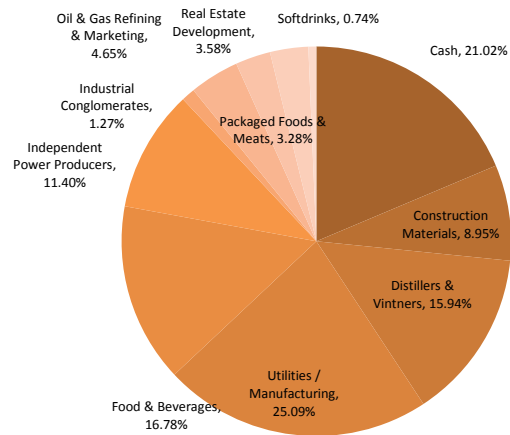
#### Daily Percentage Change of NAVpu



#### Fund Manager's Report

Equities surged higher in August as the PSEi recorded a 2.64% gain as it was able to stay above 7,000. The big news for this month was the MSCI rebalancing which where index names were given an increase in weighting. The biggest beneficiary was PLDT which contributed the majority of the gains this month. Earnings for 2Q and effectively 1H of 2014 were announced which also affected the drop in stock price for names such as Puregold and Alliance Global Inc. companies. GDP came in at 6.4% for 2Q on the back of decreased imports and strength in the manufacturing, industry and agriculture sectors for the quarter.

Holding firms continued its decline (-0.46%) joining the financial sector (-0.52%) as the two sectors in the red. The property rebounded this month, engulfing more than July's decline with a 3.95% gain. Other sectors in the green are Services (6.14%), Mining and Oil (5.02%), and Industrial (2.83%).



#### Investment Holdings

Manila Electric Co.	15.95%
Emperador Distillery Inc	15.94%
San Miguel Corporation	13.43%
First Philippine Holdings	9.13%
Lafarge Republic Inc	8.95%

#### Fund Facts

Classification:	Long Term Philippine Equity Fund
Launch Date:	March 07, 2014
Client Suitability:	Moderately Aggressive risk to Aggressive risk tolerance
Base currency:	Philippine Peso
Initial Investment:	Php 100,000
Minimum Additional Investment:	Not Applicable
Minimum Holding Period:	30 calendar days
Settlement Period:	Four (4) Banking days after initial notice
Early Redemption Charge:	0.25% or Php 500 whichever is higher
Ave. Gross Market Value for the Qtr.	PhP 2,700,486,756.21
Trust Fees <sup>3</sup> :	2% per annum
Audit Fees <sup>3</sup> :	0.0022% for the quarter
Custodianship Fees <sup>3</sup> :	0.0051% per annum
Applicable Tax:	20% on interest income 0.5% on equity sales
Custodian:	HSBC, Ltd Philippines
External Auditor:	Punongbayan & Araullo
Dealing Time:	Daily up to 12noon
Available Thru:	Unionbank of the Philippines branches
Bloomberg Ticker:	UBPDIVP

\* All fees are accrued daily against the fund's total market value.

This document is for information purposes only and does not constitute an offer or a solicitation to buy or sell any investment referred to in this document. All Unit Investment Trust Funds (UITFs) are regulated by the Bangko Sentral ng Pilipinas. The UITF is not a deposit and is not insured by PDIC. Due to the nature of the investments, yield and potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the UITF, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the UITF, when redeemed, may be worth more or be worth less than his/her initial investment/contributions. Historical performance, when presented, is purely for reference purposes and is not a guarantee of future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence.

## **UnionBank Trust and Investment Services Group**

UBP Large Capitalization Philippine Equity Portfolio

### **FOOTNOTES:**

#### **<sup>1</sup>FUND VALUATION**

All assets of the Fund shall be marked to market daily in accordance with existing BSP rules and regulations on marking to market valuation of investment instruments. The pricing valuation methodology shall use the following price sources as bases for computing NAVPu.

*Philippine Equity Securities: Philippine Stock Exchange Closing Levels, 3:30 pm daily*

*Other instruments: Closing prices as prescribed by BSP regulations and market conventions*

Valuation Day shall mean any day in which banks are open for business in Manila.

The value of the NAVPu at the start of Fund's operation shall be: Php 100.00

The Admission and Redemption NAVPu of the fund shall be computed 4:30pm of each business day and/or after markets close and shall be available to investors by 9:00 am of the next banking day.

All mark-to-market valuation procedures are in accordance with BSP Memorandum No. M-2007-005 dated February 28, 2007.

#### **<sup>2</sup>PROSPECTIVE INVESTMENTS**

The Fund may be invested and reinvested in:

- i. Debt securities issued by or guaranteed by the Philippine government, or the Bangko Sentral ng Pilipinas;
- ii. Large capitalization equity issues listed in the Philippine Stock Exchange;
- iii. Middle capitalization equity issues listed in the Philippine Stock Exchange;
- iv. Savings/Checking accounts and/or time deposits in any bank or financial institution, including UnionBank of the Philippines;
- v. Derivative instruments for the purpose of hedging market risk exposures of the existing investments of the Fund in accordance with the Bank's risk management and hedging policy duly approved by the Trust Committee.

A complete list of holdings is available upon request.

#### **<sup>3</sup>FEES & EXPENSES**

The Trustee shall collect from the Fund trust fees in the amount of TWO PERCENT (2%) per annum based on the Gross Market Value of the Fund which shall be accrued daily and shall be collectible from the Fund at the end of every calendar month.

The Trustee may charge the Fund for special expenses if the same is necessary to preserve or enhance the value of the Fund. Such special expenses shall be payable to pertinent third party or parties covered by separate contract/s, and disclosed to the Participants.

**An investor should read the complete details of the fund in the Plan Rules, and should carefully consider the fund's investment objectives, risks, charges and expenses. He then should make his own risk assessment and, when necessary, seek independent/professional opinion before making an investment.**