



**UNIONBANK OF THE PHILIPPINES – TRUST AND INVESTMENT SERVICES GROUP**  
**UNIONBANK DIVIDEND PLAY EQUITY PORTFOLIO**  
**KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**  
As of July 31, 2015

<b>FUND FACTS</b>			
Classification:	Long-term Philippine Equity Fund	Net Asset Value per Unit (NAVPU):	Php 104.70197480
Launch Date:	March 7, 2014	Total Fund NAV:	Php 229,245,366.88
Minimum Investment:	Php 100,000	Dealing Day:	Up to 2:30 PM, any banking day
Additional Investment:	Not Applicable	Redemption Settlement:	Four (4) banking days after initial notice
Minimum Holding Period:	30 calendar days	Early Redemption Charge:	0.25% flat on redeemed amount or Php 500, whichever is higher
<b>FEES*</b>			
Trust Fees: 2.00% per annum	Custodianship Fees: 0.003%	Audit Fees: 0.001%	Other Fees: 0.003%
<b>UnionBank of the Philippines</b>	<b>HSBC, Ltd. Philippines</b>	<b>Punongbayan &amp; Araullo</b>	

\*As a percentage of the total market value of the fund for the month valued at Php 229.67 Mn

**INVESTMENT OBJECTIVE AND STRATEGY**

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 stocks 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.

**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 Dividend Play Equity Portfolio is suitable only for investors who:
  - Are individuals of legal age and corporations with a long-term investment horizon
  - Have an aggressive risk profile
- The principal is at risk. Loss in the original investment may arise due to market fluctuations and price volatility of the securities held by the fund.

**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:** This is the possibility to experience losses due to adverse changes in market prices of securities. It is the exposure to the uncertain market value of a portfolio due to price fluctuations.
- **Liquidity Risk:** This is the possibility to experience losses due to the fund's inability to sell and convert assets into cash immediately or in instances where conversion to cash is possible but at a highly disadvantageous price.
- **Credit/Default Risk:** 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 forms of security which the borrower issued.

The Fund invests in quality assets which are evaluated under the Trust Department's accreditation process and BSP regulations. Internal risk limits, together with regulatory exposure limits, are monitored, reviewed and strictly adhered to on a daily 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**

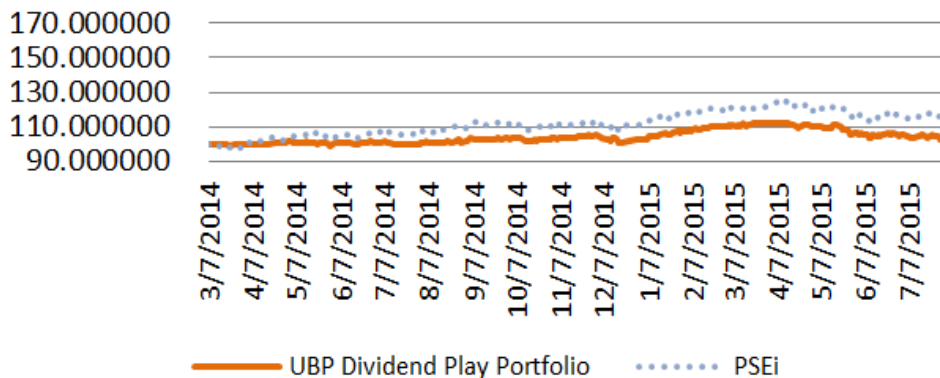
For any queries, you may call UnionBank-Trust and Investment Services Group at 667-6388 or visit our website at www.unionbankph.com.

**FUND PERFORMANCE AND STATISTICS AS OF JULY 31, 2015**

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

**NAVPu Graph**

**Net Asset Value per Unit**



**NAVPu over the past 12 months**

<b>Highest</b>	112.5392004
<b>Lowest</b>	100.3991869
<b>Statistics</b>	
<b>Weighted Ave. Duration</b>	N/A
<b>Volatility, Past 1 Year*</b>	7.74%
<b>Shape Ratio**</b>	0.40
<b>Information Ratio***</b>	-0.01

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

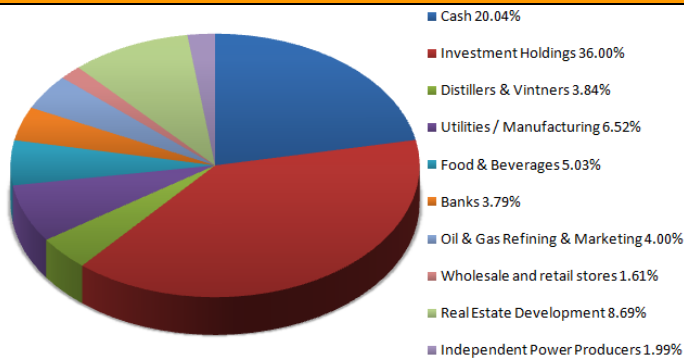
\*\*Sharpe Ratio is used to characterize how well the return of Fund compensates the investor for the level of risk taken. The higher the number, the better. (Risk Free Rate = 1.5000%)

\*\*\*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.

Fund Performance Vs. Benchmark (%)							Top Ten Holdings (%)			
Period	YTD	Cumulative Return					Annualized Return		Top Ten Holdings (%)	
		1mos	3mos	6mos	1yr	3yrs	3yrs	5yrs		
Fund	2.08	-0.25	-4.73	-2.63	4.62	--	--	--	ALLIANCE GLOBAL GROUP	6.75
Benchmark*	4.42	-0.19	-2.14	-1.82	9.98	--	--	--	MANILA ELECTRIC CO.	6.52
									UNIVERSAL ROBINA CORP.	5.42
									SAN MIGUEL PUREFOODS	5.03
									METRO PACIFIC INVESTMENTS CO.	4.71
									SM INVESTMENTS CORP.	4.61
									PETRON CORP.	4.00
									JG SUMMIT HOLDINGS INC.	3.95
									EMPERADOR DISTILLERS INC.	3.84
									MEGAWORLD CORP.	3.67
									<b>Total</b>	<b>48.50</b>

\*PSEI

**Portfolio Composition**



**OTHER DISCLOSURES**

**RELATED PARTY TRANSACTIONS**

The fund has no outstanding investment in the issuances of companies related to UnionBank of the Philippines.

**OUTLOOK AND STRATEGY**

The PSE Index saw a small drop for July as it closed at 7,550, 0.19% down for the month. Various factors both foreign and domestic plagued the market as investors had to balance the Grexit concerns, the Chinese stock market plummeting and the start of the earnings season in their trades. The net effect led to a volatile market which saw the index trade within a band of 7,363.43 - 7,665.52 intra-month. On the flows side, the volume continued to slow with the direction of foreign flows is biased towards the sell side.

On corporate news, SCC suffered the biggest drop among index names on the back of the unfortunate incident that led to the deaths of some miners and the closure of their Panian mine. The Daang Hari-SLEX / Muntinlupa-Cavite Expressway was also opened by Ayala Corp as investors hope in the continued launches of the PPP projects established by the Aquino administration begin to ramp up as election season approaches. Finally, corporate earnings are beginning to come out with mixed expectations. This will be the big issue to watch with the market devoid of other catalysts in the very near term. However, we may see some positioning by funds on rate hike expectations and spending related to elections and government projects for the latter part of the year.

The Fund's prospective investments include (a) Preferred issues/securities listed in the Philippine Stock Exchange; (b) Large and middle capitalization issues/securities listed in the Philippine Stock Exchange; (c) Savings/checking accounts and/or time deposits in any bank or financial institution, including UnionBank of the Philippines; and, (d) Such other tradable investment as aligned with Subsection X410.9(h) of the MORB on tradable securities as the BSP may allow.

