



UNIONBANK OF THE PHILIPPINES – TRUST AND INVESTMENT SERVICES GROUP
UNIONBANK DIVIDEND PLAY EQUITY PORTFOLIO
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
 As of July 31, 2016

FUND FACTS			
Classification:	Long-term Philippine Equity Fund	Net Asset Value per Unit (NAVPU):	Php 106.044747
Launch Date:	March 7, 2014	Total Fund NAV:	Php 244,739,330.95
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
FEES*			
Trust Fees: 0.162%	Custodianship Fees: 0.001%	Audit Fees: 0.001%	Other Fees: 0.003%
<i>UnionBank of the Philippines</i>	<i>HSBC, Ltd. Philippines</i>	<i>Punongbayan & Arullo</i>	

*As a percentage of the net fund value for the month valued at Php 241.88 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.

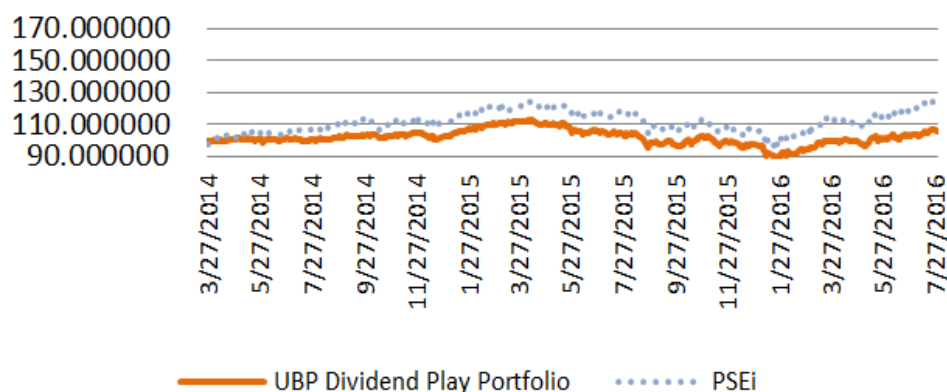
The Fund invests in quality assets which are evaluated under the Trust Department's accreditation process and BSP regulations. Internal risk limits, together with regulatory exposure limits, are monitored, reviewed and strictly adhered to on a daily basis.

- ❖ **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, 2016

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

Net Asset Value per Unit

NAVPU over the past 12 months

Highest	106.754667
Lowest	87.7615820

Statistics

Weighted Ave. Duration	N/A
Volatility, Past 1 Year*	10.32%
Shape Ratio**	0.09
Information Ratio***	-0.01

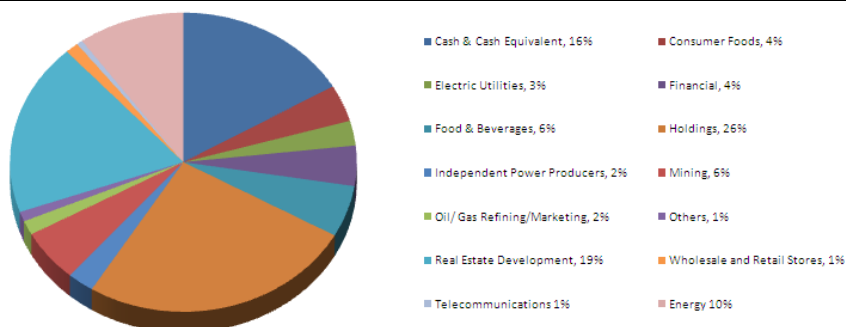
*Volatility measures the degree to which the Fund fluctuates vis-a-vis its average return over a period of time.

**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 = 1.9123%)

***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	Cumulative Return					Annualized Return		CITIBANK/CITIGROUP GLOBAL	5.70
	1mos	3mos	6mos	1yr	3yrs	3yrs	5yrs		
Fund	2.11	7.31	-0.64	1.28	--	--	--	Semirara Mining & Power Corp	5.61
Benchmark*	2.14	11.23	4.54	5.47	--	--	--	San Miguel Purefoods (Preferreds)	5.55
Calendar Year Return									
Period	YTD	2011	2012	2013	2014	2015			
Fund	8.79	--	--	--	--	-4.97	CITY SAVINGS BANK		
Benchmark*	14.54	--	--	--	--	-3.85	SM Investments Corp		
							Energy Development Corp		
							First Gen Corp		
							BANGKO SENTRAL NG PILIPINAS		
							Ayala Corp		
							Universal Robina Corp		
							Total	49.74	

*PSEi

Portfolio Composition

OTHER DISCLOSURES
RELATED PARTY TRANSACTIONS

The fund has equity investments with Aboitiz Power (AP) and time deposits with City Savings Bank amounting to Php 6.06 Mn and Php 12.24 Mn respectively. These investment outlets were approved by the Trust Committee. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

Another month of gains was reflected in July as the PSEi inched up 2.1% on the back of continued net foreign inflows. Index heavyweights contributed to the bulk of this gain but inflows cut across most of the listed names as fund managers began positioning for 2Q16 earnings results as well as a potential seasonal downturn in August. The Duterte administration held its first State of the Nation Address wherein he reiterated the goals he promised during his campaign, some of which directly affect listed names such as increased infrastructure spending.

The market continues to trade at resistance levels, now reaching near-all time high levels, and may consolidate as the market waits for more catalysts to appear. We are maintaining our general strategy of staying nimble by concentrating on more liquid names as we rebalance given market conditions.