



UNIONBANK OF THE PHILIPPINES – TRUST AND INVESTMENT SERVICES GROUP
UNIONBANK DIVIDEND PLAY EQUITY PORTFOLIO
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
As of September 30, 2017

FUND FACTS			
Classification:	Long-term Philippine Equity Fund	Net Asset Value per Unit (NAVPU):	Php 110.357678
Launch Date:	March 7, 2014	Total Fund NAV:	Php 114,760,589.25
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:	2.00% per annum	Custodianship Fees:	0.002%
		Audit Fees:	0.001%
UnionBank of the Philippines	HSBC, Ltd. Philippines	Punongbayan & Araullo	

*As a percentage of the total market value of the fund for the month valued at Php 115.301 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.

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.

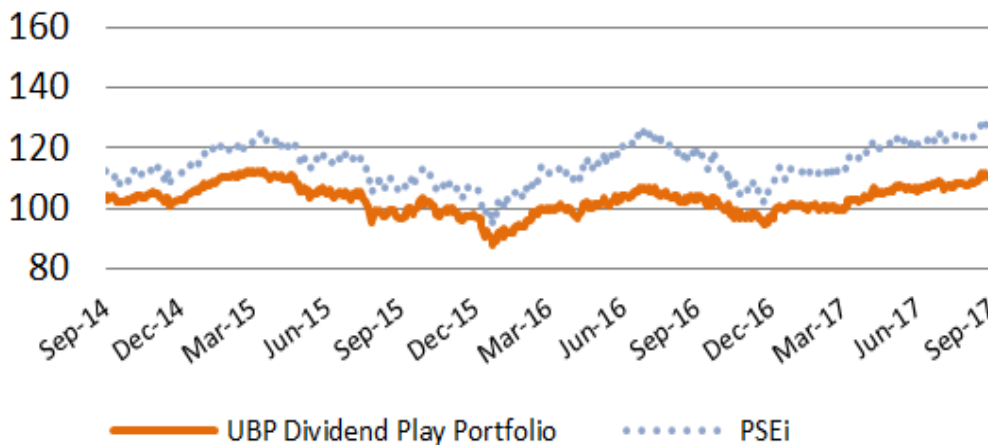
<ul style="list-style-type: none">❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)❖ RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/FLUCTUATIONS ONLY❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN 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
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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 SEPTEMBER 30, 2017

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

Net Asset Value per Unit



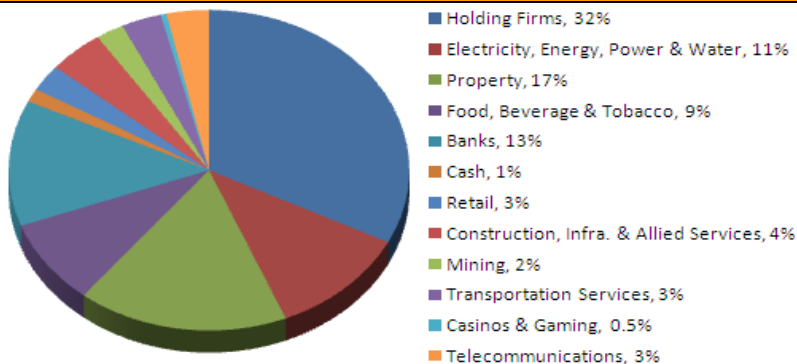
NAVPU over the past 12 months	
Highest	111.748978
Lowest	94.286704
Statistics	
Weighted Ave. Duration	N/A
Volatility, Past 1 Year*	10.18%
Sharpe Ratio**	0.54
Information Ratio***	-0.02

*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 = 1.6086 %)

***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		SM Investments Corp	10.13	
		1mos	3mos	6mos	1yr	3yrs	3yrs	5yrs	SM Prime Holdings Inc	7.51	
Fund		2.63	3.86	10.75	7.08	6.61	2.16	--	Ayala Land Inc	7.40	
Benchmark*		2.67	4.19	11.76	7.10	12.20	3.91	--	BDO Unibank Inc	7.01	
Period		Calendar Year Return								Ayala Corp	5.60
		YTD	2011	2012	2013	2014	2015			2016	JG Summit Holdings Inc
Fund		13.74	--	--	--	--	-4.97	-0.46	Metro Pacific Investments Corp	4.02	
Benchmark*		19.45	--	--	--	--	-3.85	-1.60	International Container Terminal Service	3.24	
*PSEi											
PORTFOLIO COMPOSITION									Total	54.96	



OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The fund has equity investments with Aboitiz Equity Ventures and Aboitiz Power amounting to Php 2.84 Mn and Php 2.70 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

We saw the index rebound from August's weakness to close at 8,171, 2.7% higher M-o-M. Foreigners appeared to be net buyers for the month but this was bloated by the EDC tender, without which the market would have seen a net outflow. The rally was broad based as top gainers in the index being the laggard plays AGI, FGEN, and RLC while the large caps SM and AC also reflecting large gains.

The investor confidence may be attributed to optimism on the passage of the CTRP with the Senate Ways and Means Committee passed SB 1592, which aims to raise PhP 130bn in incremental revenue for the government. However, DoF has estimated that this version is significantly diluted versus their original proposal. With various facets being changed, we will need to closely monitor the concessions that are made during the bicameral conference to see which names will be most hit and to what extent.

We are close to being fully invested but we plan to remain nimble with the ability to deploy into or take profit on liquid names.