



UNIONBANK OF THE PHILIPPINES – TRUST AND INVESTMENT SERVICES GROUP
UNIONBANK DIVIDEND PLAY EQUITY PORTFOLIO
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
 As of October 31, 2017

FUND FACTS			
Classification:	Long-term Philippine Equity Fund	Net Asset Value per Unit (NAVPU):	Php 112.620864
Launch Date:	March 7, 2014	Total Fund NAV:	Php 117,125,076.28
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:	0.002%
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 117.38 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.

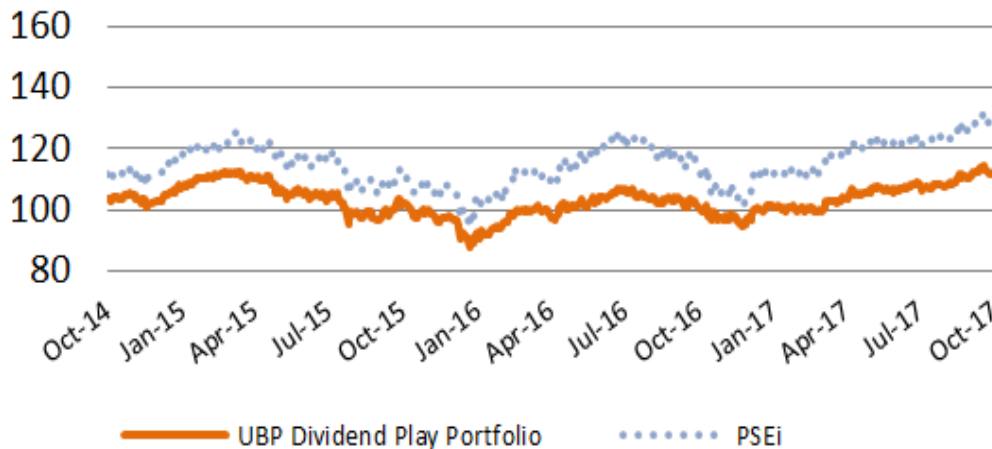
❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)
❖ RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/FLUCTUATIONS ONLY
❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY 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 OCTOBER 31, 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	114.073625
Lowest	94.286704

Statistics

Weighted Ave. Duration	N/A
Volatility, Past 1 Year*	10.04%
Sharpe Ratio**	0.99
Information Ratio***	-0.10

*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 = 1.4294 %)

***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 (%)

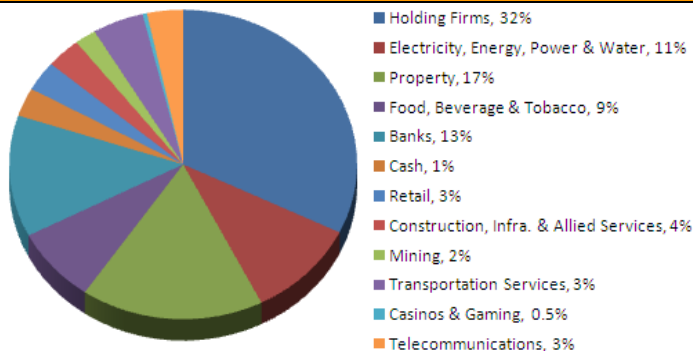
Period	Cumulative Return					Annualized Return	
	1mos	3mos	6mos	1yr	3yrs	3yrs	5yrs
Fund	2.05	4.40	8.95	11.34	8.96	2.90	--
Benchmark*	2.37	4.33	9.19	12.97	15.93	5.05	--
Calendar Year Return							
Period	YTD	2011	2012	2013	2014	2015	2016
Fund	16.07	--	--	--	--	-4.97	-0.46
Benchmark*	22.29	--	--	--	--	-3.85	-1.60

*PSEi

Top Ten Holdings (%)

SM Investments Corp	10.59
SM Prime Holdings Inc	7.80
Ayala Land Inc	7.10
BDO Unibank Inc	6.95
Ayala Corp	5.70
JG Summit Holdings Inc	4.16
Metro Pacific Investments Corp	3.94
International Container Terminal Service	3.19
Unionbank of the Philippines	2.99
Bank of the Philippine Islands	2.88
Total	55.31

PORTFOLIO COMPOSITION



OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The fund has equity investments with Aboitiz Equity Ventures and Aboitiz Power and time deposits with Unionbank of the Philippines amounting to Php 2.91 Mn, Php 2.67 Mn, and Php 3.50 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

October marked another gain for the local bourse with a 2.4% gain, closing the month at 8,365. Net foreign flows were slightly positive due to the cross of AC shares to a foreign buyer. Volumes were relatively light, especially after factoring in the large block transactions for the month. Index heavyweights continued their rally as Sy Family-owned SM, SMPH, and BDO factored into the strength of the index.

The end of the month marked the start of earnings season yet again but few remarkable results versus consensus forecasts were reported. Cement industry has once again disappointed with the country's infrastructure story yet to appear in their bottom lines. With a lack of clarity in this space, it may be more prudent to wait and see more construction projects begin before revisiting the sector.

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.