



UCPB Equity Fund (UEF)

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

For the Quarter Ended September 30, 2015

FUND FACTS

| | |
|--|---|
| Classification: Equity | Net Asset Value Per Unit (NAVPU): 3.496122559 |
| Launch Date: January 15, 2007 | Total Fund NAV: Php 649,840,936.50 |
| Minimum Investment: PhP 10,000.00 | Dealing Day: On any banking day up to 1:30 p.m. |
| Additional Investment: PhP 5,000.00 and in multiples of PhP 1,000.00 | Redemption Settlement: Three (3) banking days after receipt by TBG of redemption notice |
| Minimum Holding Period: 30 calendar days | Early Redemption Charge: 5% of the total amount redeemed |

FEES*

| | | | |
|---|---|---|------------------|
| Trustee Fees: 1.7500% p.a Trustee: UCPB Acting Through Its Trust Banking Group (TBG) | Custodian Fees: 0.00% Custodian: Deutsche Bank AG Manila & Philippine Depository & Trust Corp. | External Auditor Fees: 0.0012% External Auditor: Manabat San Agustin & Company | Other Fees: None |
|---|---|---|------------------|

*As a percentage of average daily NAV for the month valued at PhP 711,342,024.11

INVESTMENT OBJECTIVE AND STRATEGY

UEF seeks to provide long-term growth of capital and dividend income by investing in equities. It also aims to surpass its benchmark which is the Philippine Stock Exchange Index. This should not be construed, however, as a guarantee of yield.

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/their investment objective 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 UEF is suitable only for investors who:
 - have a risk profile of aggressive based on the results of Exchange Index. This should not be construed, however, as a guarantee of yield. the accomplished Client Suitability Assessment Form;
 - are willing to dedicate a small portion of their portfolio, preferably excess funds, for a medium to long term perspective with a high level of return and corresponding risk on an equity portfolio; and
 - understands the significance of fluctuating unit prices and that any income/loss arising from market volatilities and price fluctuations is for client's account.

KEY RISKS AND RISK MANAGEMENT

You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.

- Market Risk. This is the possibility for an investor to experience losses due to changes in market prices of securities (i.e., equities).
- Credit Risk/Default Risk. This is the possibility for an investor to experience losses due to a deposit issuer's failure to pay principal and/or interest in a timely manner on deposit instruments.
- Liquidity Risk. This is the possibility for an investor to experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss.
- Reinvestment Risk. This is associated with the possibility of having lower returns or earnings when maturing funds or the interest earnings of the funds are reinvested.

TBG strictly adheres to the investment outlets as stated in the Fund's Declaration of Trust. Exposure limits and asset allocation is closely monitored on a regular basis. All counterparties and investment outlets underwent thorough evaluation and accreditation in accordance with the Trust Manual of Operations, Policies and Guidelines.

- **THE UITF 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 AND 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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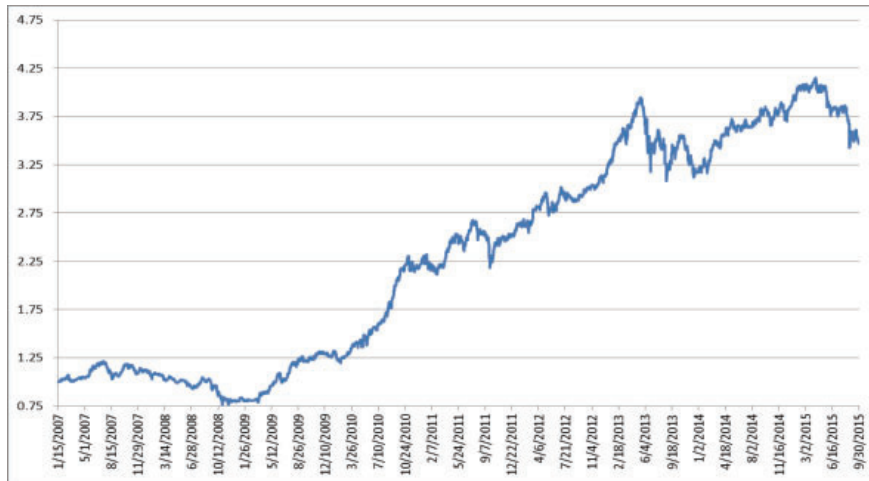
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FUND PERFORMANCE AND STATISTICS AS OF SEPTEMBER 30, 2015

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

NAVPU Graph



NAVPU OVER THE PAST 12 MONTHS

| | |
|---------|-------------|
| Highest | 4.152609763 |
| Lowest | 3.426916335 |

STATISTICS

| | |
|--------------------------|--------|
| Weighted Ave. Duration | N/A |
| Volatility, Past 1 Year* | 13.18% |
| Sharpe Ratio** | -0.01% |
| Information Ratio*** | -0.01% |

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

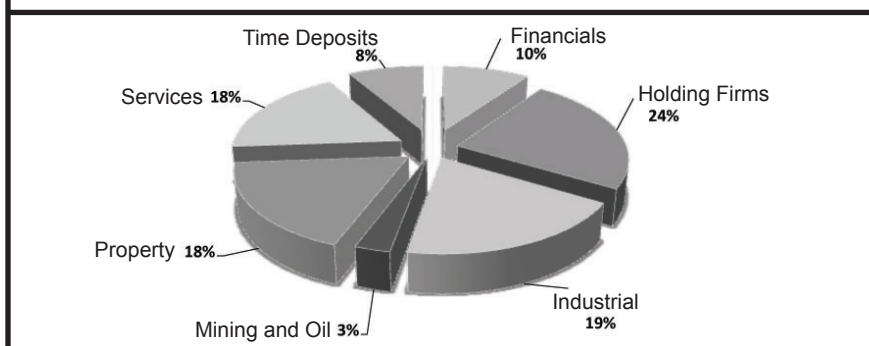
** Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

*** 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.

CUMULATIVE PERFORMANCE (%)

| Period | 1 Mo | 3 Mos | 6 Mos | 1 Yr | 3 Yrs | 5 Yrs | YTD |
|-----------|--------|--------|---------|--------|--------|--------|--------|
| Fund | -2.79% | -8.67% | -14.17% | -8.30% | 19.32% | 70.53% | -9.30% |
| Benchmark | -2.89% | -8.86% | -12.73% | -5.34% | 30.04% | 68.14% | -4.66% |

PORTFOLIO COMPOSITION



TOP TEN HOLDINGS (%)

| | |
|---------------------------------|------------|
| Ayala Land, Inc. | 8% |
| PLDT | 8% |
| SM Investment Corp. | 7% |
| SM Prime Holding, Inc. | 5% |
| Metro Pacific Investments Corp. | 4% |
| JG Summit Holdings, Inc. | 3% |
| Max's Group, Inc. | 3% |
| BDO Unibank, Inc. | 3% |
| Manila Electric Company | 3% |
| Robinson Retail Holdings, Inc. | 3% |
| Total | 48% |

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper amounting to P5k, which were approved by the Board of Directors. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

PSEi ended September at 6,894 or 2.9% lower month-on-month. Foreign investors remained net sellers resulting to a ytd net foreign outflow of US\$873mn. The recent yuan devaluation and the impending Fed rate hike have increased uncertainty and made investors very cautious. Despite the current weakness, the PSEi has fared relatively well compared to its ASEAN peers. Part of the outperformance can be attributed to healthy domestic fundamentals.

Other macro indicators remain favorable. Personal remittances from Overseas Filipinos amounted to USD2.3 billion in July 2015, higher by 0.5% compared to the same period a year ago. For the 1st seven months, personal remittances have reached USD15.7 billion, 4.6% higher yoy.

Despite a slowdown in recent months, growth is expected to accelerate led by higher government spending and investments.

Headline inflation slowed further in August to 0.6% compared to 0.8% in July on lower oil and electricity prices and ample food supply.

The market still faces strong headwinds such as a strong US dollar and the imminent hike in U.S. interest rates which could create continued volatility and uncertainty in the near term.