



UCPB US\$ Money Market Fund (US\$MMF)
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
 For the Quarter Ended December 31, 2018

FUND FACTS

Classification: Money Market	Net Asset Value Per Unit (NAVPU): 1.336868387
Launch Date: September 15, 2005	Total Fund NAV: \$ 3,853,929.88
Minimum Investment: \$1,000.00	Dealing Day: On any banking day up to 1:30 p.m.
Additional Investment: \$500.00 and in multiples of \$100.00	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: 0.0633% Trustee: UCPB Acting Through Its Trust Banking Group (TBG)	Custodian Fees: 0.0000% Custodian: Deutsche Bank AG Manila	External Auditor Fees: 0.0100% External Auditor: Punongbayan & Araullo Company	Other Fees: None
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*As a percentage of average daily NAV for the quarter valued \$3,406,369.87

INVESTMENT OBJECTIVE AND STRATEGY

US\$MMF intends to achieve for its participants a moderate alternative investment outlet through investments in high-quality and credit worthy fixed income instruments. It also aims to surpass its benchmark which is the average of HSBC USD Deposit Index. This should not be construed, however, as a guarantee of yields.

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 US\$MMF is suitable only for investors who:
 - have a risk profile of conservative based on the results of the accomplished Client Suitability Form;
 - are willing to dedicate a small portion of their portfolio, preferably excess funds, for short term dollar-denominated investments and wish to be able to preserve capital, generate current income and maximize the yields on their excess cash; 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.

- 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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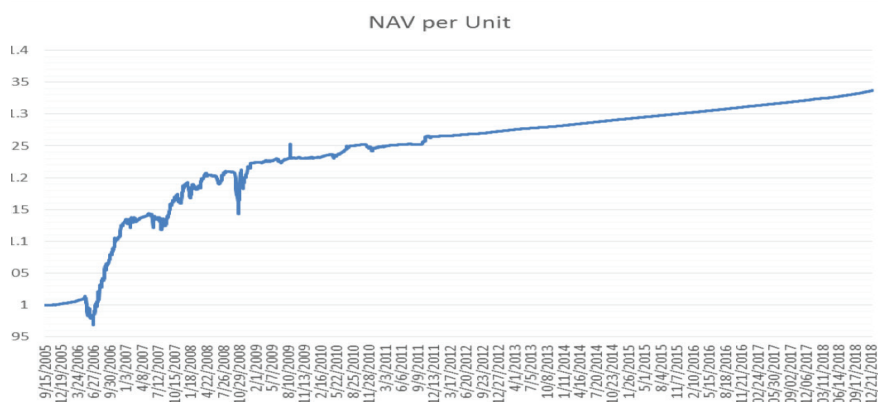
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FUND PERFORMANCE AND STATISTICS AS OF DECEMBER 31, 2018

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

NAVPu Graph



NAVPU OVER THE PAST 12 MONTHS

Highest	1.336868387
Lowest	1.321215764

STATISTICS

Volatility, Past 1 Year*	0.07%
Sharpe Ratio**	-0.13
Information Ratio***	4.59

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

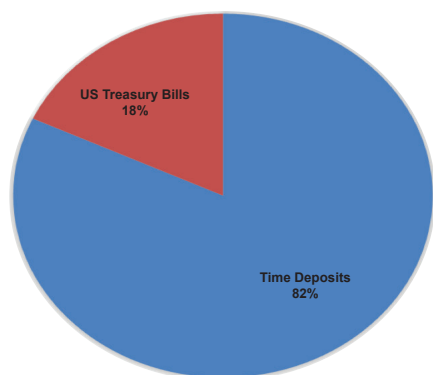
** Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

*** 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	0.13%	0.38%	0.66%	1.11%	2.72%	4.32%	1.07%
Benchmark	0.15%	0.45%	0.84%	1.46%	N/A	N/A	1.46%

PORTFOLIO COMPOSITION



TOP TEN HOLDINGS (%)

Time Deposit	82%
US Treasury Bills due 01/24/19	5%
US Treasury Bills due 02/28/19	5%
US Treasury Bills due 03/28/19	2%
US Treasury Bills due 04/25/19	2%
US Treasury Bills due 05/23/19	2%
US Treasury Bills due 06/20/19	2%
Total	100%

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper amounting to \$22k, which were approved by the Board of Directors. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

US Treasuries rallied still mainly driven by dovish tones from several Fed officials and good progress from US-China trade war. 10-yr UST rallied from 3.159% at the end of October to a high of 2.553% last January 3.

In a recent statement, China said talks with the US "laid the foundations" to resolve a damaging trade dispute between the countries. China's Commerce Ministry said that negotiations in Beijing were "extensive, deep and detailed".

Four Federal Reserve regional chiefs declared that the central bank can take its time to assess market turbulence and risks to the U.S. economy before adjusting monetary policy again, solidifying support for a pause from interest-rate increases. This also reinforced Fed Chairman Jerome Powell's statement that Fed "will be patient" with monetary policy as it watches how economy performs. Recall that the Fed previously guided for at least three rate hikes this year and one more in 2020. Right now, a lot of investors expects Fed to pause in hiking rates for 2019.