



UCPB High Dividend Fund (UHDF)
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT
 For the Quarter Ended June 30, 2020

FUND FACTS

Classification: Equity	Net Asset Value Per Unit (NAVPU): 0.833140973
Launch Date: April 8, 2014	Total Fund NAV: PhP 48,402,536.51
Minimum Investment: PhP 1,000.00	Dealing Day: On any banking day up to 1:30 p.m.
Additional Investment: PhP 1,000.00 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: 0.3741% Trustee: UCPB Acting Through Its Trust Banking Group (TBG)	Custodian Fees: 0.00% Custodian: Landbank of the Philippines and Deutsche Bank AG Manila & Philippine Depository & Trust Corp.	External Auditor Fees: 0.0094% External Auditor: Punongbayan & Araullo Company	Other Fees: None
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*As a percentage of average daily NAV for the quarter valued at PhP 46,849,053.79

INVESTMENT OBJECTIVE AND STRATEGY

UHDF seeks to provide long-term growth of capital appreciation and steady income stream through investments in domestic, listed common and preferred shares. It also aims to surpass its benchmark (gross of fees) which is the Philippine Stock Exchange Index (PSEi). 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 UHDF is suitable only for investors who:
 - have an aggressive risk profile based on the results of the accomplished Client Suitability Assessment Form;
 - are willing to dedicate a small portion of their portfolio, preferably excess funds, for at least 18 months 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**



Amerjaphil Tan
Alyssa Catapang

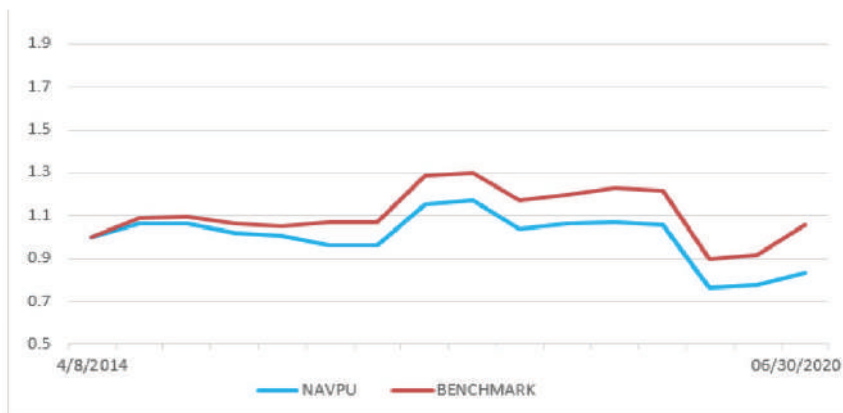
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For more information: Please email trust@ucpb.com

FUND PERFORMANCE AND STATISTICS AS OF JUNE 30, 2020

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

NAVPU Graph



NAVPU OVER THE PAST 12 MONTHS	
Highest	1.158088633
Lowest	0.707898446
STATISTICS	
Volatility, Past 1 Year*	24.49%
Sharpe Ratio**	-0.11
Information Ratio***	-0.03

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

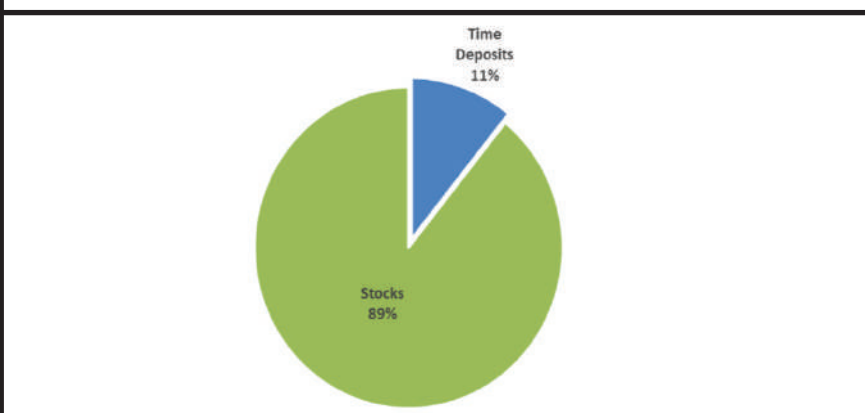
** Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.

*** 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	2.32%	8.87%	-21.98%	-25.27%	-23.20%	-23.10%	-21.98%
Benchmark	5.88%	15.49%	-19.13%	-20.83%	-19.39%	-16.68%	-19.13%

PORTFOLIO COMPOSITION



TOP TEN HOLDINGS (%)

Time Deposit	11%
SM Investments Corporation	9%
Metro Pacific Investments Corporation	8%
Universal Robina Corporation	7%
SM Prime Holdings, Inc.	7%
Ayala Corporation	6%
BDO Unibank, Inc.	6%
Phil. Long Distance Telephone Co.	5%
Ayala Land, Inc.	5%
JG Summit Holdings, Inc.	4%
Total	68%

OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper amounting to Ph5K, which were approved by the Board of Directors. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

The PSEi extended its rally in June, up 6.3% MoM, as it joined a global rally on hopes of an economic recovery. It has rebounded 34% from its low in March, and foreign investors were back to pouring money as expectations of a recovery are anticipated since lockdowns in NCR and neighboring areas have eased starting June 1. The further strengthening of the Philippine Peso vs the US Dollar provided an added boost to foreign investor's returns.

June welcomed a slew of dismal economic data releases. Foremost among them are April unemployment rate of 18%, May PMI of 40.1, March OFW remittances of -4.7%, and April exports of -51%. The market will brace for a looming technical recession (two consecutive months of economic decline) given the aforementioned economic data and probably worse than expected earnings numbers due to a nearly full lockdown of the economy in 2Q 2020.