

**EAST WEST BANKING CORPORATION**
**EASTWEST PESO MONEY MARKET FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the Month 30 June 2021**
**FUND FACTS**

|                             |                   |                                   |  |
|-----------------------------|-------------------|-----------------------------------|--|
| Classification:             | Peso Money Market | Net Asset Value per Unit (NAVPU): | P1,384.1935                              |
| Launch Date:                | 1 March 2007      | Total Fund NAV:                   | P554.783 million                         |
| Min. Initial Investment:    | P10,000           | Dealing Day:                      | Daily, up to 12 noon                     |
| Min. Additional Investment: | P1,000            | Redemption Settlement:            | Next banking day from date of redemption |
| Min. Holding Period:        | None              | Early Redemption Charge:          | Not Applicable                           |
| Applicable Tax:             | 20% Final Tax     | Valuation:                        | Marked-to-Market                         |

**FEES\***

|  |   |  |                          |
|--|---|--|--------------------------|
| Trustee Fee:<br>0.020848%<br><b>EastWest Bank – TAMG</b> | Custodianship Fee:<br>0.000000%<br><b>LAND BANK</b> | External Audit Fee:<br>0.004405%<br><b>SGV</b> | Other Fees:<br>0.000000% |
|--|---|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to provide its participants with enhanced yields for their short-term liquidity needs by investing in a portfolio of bank deposits with maximum time to maturity of twelve months. The Fund's benchmark is the Bloomberg Philippine Sovereign Bond Index Money Market.

**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 Fund is suitable for investors who:

- Have a conservative risk appetite
- Are looking for current income over an investment time horizon of at least thirty days

**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.**

- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all of your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:
  - Inflation risk – Potential or actual loss of purchasing power arising from the inability of the Fund's return to keep pace with the rate of increase of the prices of goods and services.

- ❖ **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
- ❖ **THE 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**

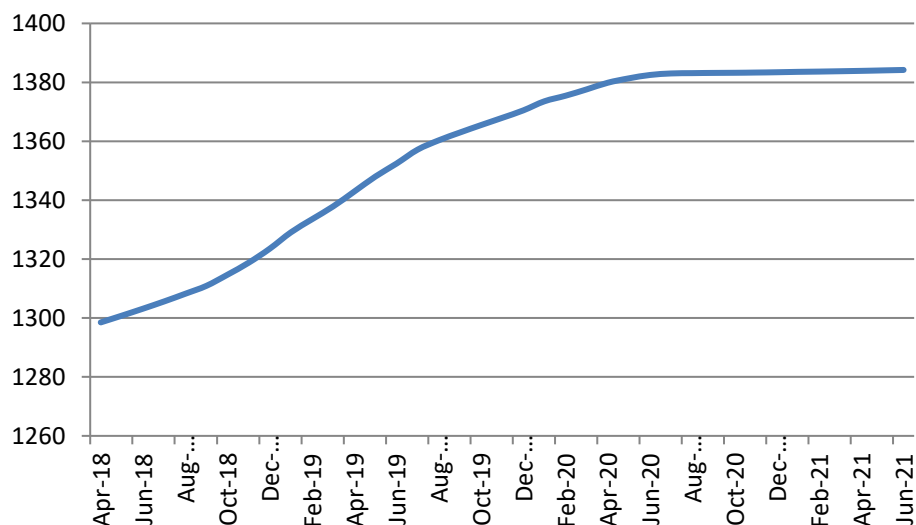
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest on deposits in a timely manner.
- Reinvestment risk – Potential or actual losses from reinvesting interest earnings at a rate lower than the original investment.

These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

- The Fund aims to prevent loss of principal at all times by staying invested in deposits only.

## FUND PERFORMANCE AND STATISTICS AS OF 30 June 2021 (Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



| NAVPU over the past 12 months |           |
|-------------------------------|-----------|
| Highest                       | 1,384.193 |
|                               | 5         |
| Lowest                        | 1,382.520 |
|                               | 3         |

| Key Statistics           |          |
|--------------------------|----------|
| Weighted Ave.            | 0.03     |
| Duration                 |          |
| Volatility, Past 1 Year* | 0.000006 |
| Sharpe Ratio**           | 12.44    |
| Information Ratio***     | -10.58   |

| Portfolio Composition (%) |        |
|---------------------------|--------|
| Deposits in Own Bank      | 12.65  |
| Deposits in Other Banks   | 87.35  |
| Total                     | 100.00 |

| Top Five Holdings (%) |        |
|-----------------------|--------|
| TD - Other Bank       | 14.84% |
| TD - Other Bank       | 14.49% |
| TD - Other Bank       | 14.46% |
| TD - Other Bank       | 13.82% |
| TD - Other Bank       | 13.81% |

|              | Cumulative Return |       |       | Annualized Return |       |
|--------------|-------------------|-------|-------|-------------------|-------|
|              | 1Mo               | YTD   | 1Yr   | 3Yrs              | 5Yrs  |
| Fund         | 0.01%             | 0.06% | 0.12% | 2.03%             | 1.88% |
| Benchmark*** | 0.26%             | 0.94% | NA    | NA                | NA    |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*\*New benchmark approved in August 2020

## OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposit placements with EastWest Bank amounting to P70.24 million. The investment outlets were approved by the Board of Directors. All related party transactions are conducted on a best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The Fund will maintain its capital preservation mandate by investing mainly in high-yield bank deposits and special savings accounts.

**PROSPECTIVE INVESTMENTS.** The Fund's prospective investments, depending on availability and market development, may include bank term deposits, and special savings accounts.

**EAST WEST BANKING CORPORATION**
**EASTWEST PESO SHORT TERM FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the Month 30 June 2021**
**FUND FACTS**

|                             |                   |                                   |  |
|-----------------------------|-------------------|-----------------------------------|--|
| Classification:             | Peso Money Market | Net Asset Value per Unit (NAVPU): | P113.3617                                |
| Launch Date:                | 1 June 2016       | Total Fund NAV:                   | P931.131 million                         |
| Min. Initial Investment:    | P10,000           | Dealing Day:                      | Daily, up to 12 noon                     |
| Min. Additional Investment: | P1,000            | Redemption Settlement:            | Next banking day from date of redemption |
| Min. Holding Period:        | None              | Early Redemption Charge:          | Not Applicable                           |
| Applicable Tax:             | 20% Final Tax     | Valuation:                        | Marked-to-Market                         |

**FEES\***

|  |   |  |                          |
|--|---|--|--------------------------|
| Trustee Fee:<br>0.020801%<br><b>EastWest Bank – TAMG</b> | Custodianship Fee:<br>0.014553%<br><b>LAND BANK</b> | External Audit Fee:<br>0.002721%<br><b>SGV</b> | Other Fees:<br>0.000000% |
|--|---|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to provide its participants liquidity and stable income derived from diversified portfolio of fixed income instruments. The Fund's benchmark is the Bloomberg Philippine Sovereign Bond Index Money Market.

**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 Fund is suitable for investors who:

- Have a moderate risk appetite
- Are looking for stable income over an investment time horizon of at least thirty days

**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.**

- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Inflation risk – Potential or actual loss of purchasing power arising from the inability of the Fund's return to keep in pace with the rate of increase of the prices of goods and services.
  - Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest on deposits in a timely manner.

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- ❖ **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**

- Reinvestment risk – Potential or actual losses from reinvesting interest earnings at a rate lower than the original investment.

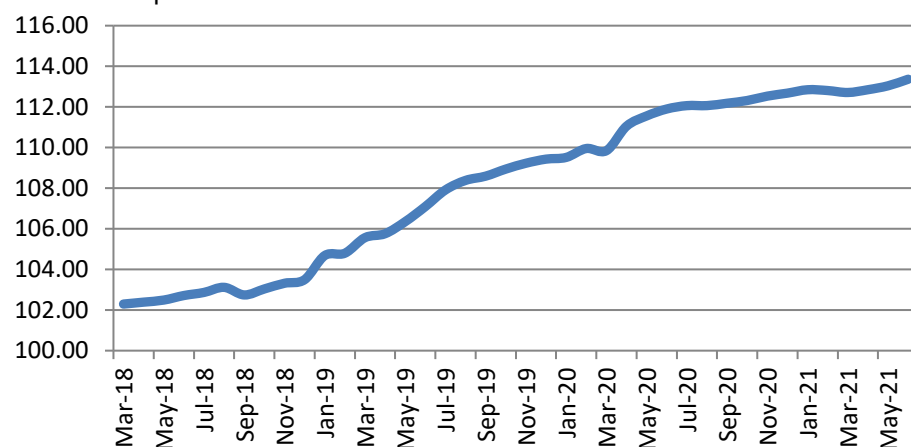
These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

- The Fund employs a risk management policy based on duration. Duration measures the sensitivity of NAVpU to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more the NAVpU will fluctuate in relation to changes in interest rates.

## FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



NAVPU over the past 12 months

|         |          |
|---------|----------|
| Highest | 113.3617 |
| Lowest  | 111.9226 |

### Key Statistics

|                          |          |
|--------------------------|----------|
| Weighted Ave. Duration   | 0.82     |
| Volatility, Past 1 Year* | 0.000201 |
| Sharpe Ratio**           | 4.04     |
| Information Ratio***     | -2.60    |

### Portfolio Composition (%)

|                       |        |
|-----------------------|--------|
| Cash                  | 13.48  |
| Government Securities | 86.52  |
| Total                 | 100.00 |

### Top Five Holdings (%)

|               |       |
|---------------|-------|
| RTB 3-10      | 16.63 |
| RTB 5-11      | 17.48 |
| T-Bill        | 10.66 |
| T-Bill        | 10.60 |
| TD - Own Bank | 8.10  |

|               | Cumulative Return |       |       | Annualized Return |      |
|---------------|-------------------|-------|-------|-------------------|------|
|               | 1Mo               | YTD   | 1Yr   | 3Yrs              | 5Yrs |
| Fund          | 0.28%             | 0.61% | 1.31% | 3.34%             | NA   |
| Benchmark**** | 0.26%             | 0.94% | 2.19% | NA                | NA   |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*\*New benchmark approved in October 31, 2019

## OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposit placements with EastWest Bank amounting to P75.48 million. The investment outlets were approved by the Board of Directors. All related party transactions are conducted on a best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The *Bangko Sentral ng Pilipinas* maintained its dovish policy once again by keeping key rates steady at a record low of 2 percent to cushion the economy from the impact of the pandemic. The central bank is seen to remain accommodative until the economy finds its footing. The Fund looks to invest in liquid fixed income securities and maintain portfolio duration within acceptable limits.

**PROSPECTIVE INVESTMENTS.** The Fund's prospective investments may include securities issued or guaranteed by the Philippine government, tradable securities issued by financial institutions or private corporations, marketable instruments and loans that are traded in an organized exchange, bank deposits, similar collective investment vehicles subject to existing BSP regulations, and such other investment outlets/categories the BSP allow.

**EAST WEST BANKING CORPORATION**
**EASTWEST PESO LONG TERM BOND FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the Month 30 June 2021

**FUND FACTS**

|                             |                   |                                   |   |
|-----------------------------|-------------------|-----------------------------------|---|
| Classification:             | Peso Bond Fund    | Net Asset Value per Unit (NAVPU): | P1,712.2004   |
| Launch Date:                | 1 March 2007      | Total Fund NAV:                   | P140.974 million  |
| Min. Initial Investment:    | P50,000           | Dealing Day:                      | Daily, up to 12 noon  |
| Min. Additional Investment: | P1,000            | Redemption Settlement:            | Next banking day from date of redemption                    |
| Min. Holding Period:        | 180 calendar days | Early Redemption Charge:          | P500 or 0.25% of the amount withdrawn, whichever is higher. |
| Applicable Tax:             | 20% Final Tax     | Valuation:                        | Marked-to-Market  |

**FEES\***

|  |   |  |                          |
|--|---|--|--------------------------|
| Trustee Fee:<br>0.083327%<br><b>EastWest Bank – TAMG</b> | Custodianship Fee:<br>0.020668%<br><b>LAND BANK</b> | External Audit Fee:<br>0.017850%<br><b>SGV</b> | Other Fees:<br>0.000000% |
|--|---|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to provide for its participants the potential to earn higher long-term returns by investing in a diversified portfolio of deposits and tradable debt securities issued by Philippine corporations, government and its agencies. The Fund has an average total portfolio duration of more than five years. The Fund's benchmark is the Bloomberg Philippine Sovereign Bond Index AI.

**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 Fund is suitable for investors who:

- Have an aggressive risk appetite
- Are looking for long-term capital growth over an investment time horizon of at least five years

**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.**

- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Liquidity risk – Potential or actual losses arising from the Fund's inability to convert its assets into cash immediately at minimal cost.
  - Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

- ❖ **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
- ❖ **THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY**
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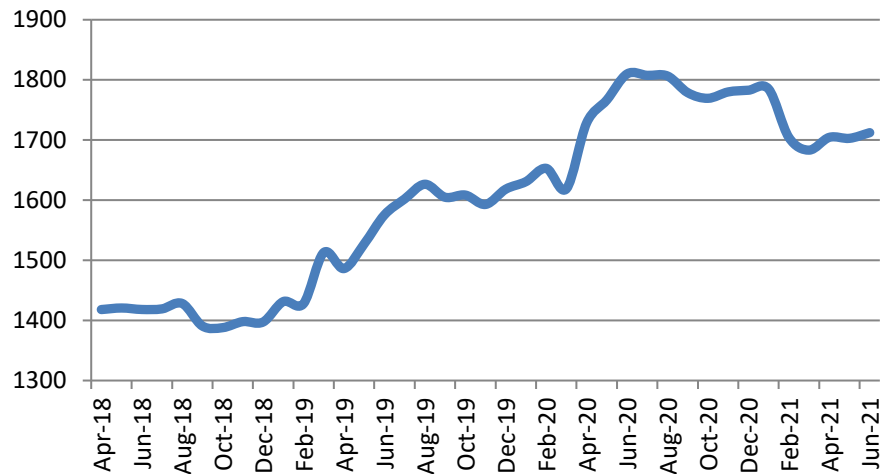
These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

- The Fund employs a risk management policy based on duration. Duration measures the sensitivity of NAVPU to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more the NAVPU will fluctuate in relation to changes in interest rates.

### FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



#### NAVPU over the past 12 months

|         |            |
|---------|------------|
| Highest | 1,829.5948 |
| Lowest  | 1,667.5257 |

#### Key Statistics

|                           |          |
|---------------------------|----------|
| Weighted Ave. Duration    | 5.23     |
| Volatility, Past 1 Year*  | 0.002295 |
| Sharpe Ratio**            | -1.46    |
| Information Ratio***      | -1.73    |
| Portfolio Composition (%) |          |
| Cash                      | 12.31    |
| Government Securities     | 87.69    |
| Total                     | 100.00   |

#### Top Five Holdings (%)

|            |       |
|------------|-------|
| FXTN 10-64 | 25.22 |
| FXTN 20-23 | 17.21 |
| FXTN 20-23 | 16.92 |
| RTB 5-13   | 14.33 |
| T-BILL     | 14.24 |

|               | Cumulative Return |        |        | Annualized Return |       |
|---------------|-------------------|--------|--------|-------------------|-------|
|               | 1Mo               | YTD    | 1Yr    | 3Yrs              | 5Yrs  |
| Fund          | 0.55%             | -3.96% | -5.40% | 6.48%             | 2.91% |
| Benchmark**** | 1.08%             | -1.98% | -1.49% | NA                | NA    |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*\*New benchmark approved October 31, 2019

### OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposits with EastWest Bank amounting to P17.185 million. The investment outlets were approved by the Board of Directors. All related party transactions are conducted on a best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The Bangko Sentral ng Pilipinas maintained its dovish policy once again by keeping key rates steady at a record low of 2 percent to cushion the economy from the impact of the pandemic. The central bank is seen to remain accommodative until the economy finds its footing. The Fund looks to invest in liquid fixed income securities and maintain portfolio duration within acceptable limits.

**PROSPECTIVE INVESTMENTS.** The Fund's prospective investments include securities issued by or guaranteed by the Philippine government, marketable fixed income securities issued or guaranteed by corporations and traded in an organized exchange, securities issued or guaranteed by any government of a foreign country or any political subdivision of a foreign country, securities issued or guaranteed by any supranational entity, loans traded in an organized exchange, savings and time deposits in any bank or financial institution, and other tradable investment outlets categories as the BSP may allow.

**EAST WEST BANKING CORPORATION**
**EASTWEST PESO INTERMEDIATE TERM BOND FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the Month 30 June 2021**
**FUND FACTS**

|                             |                  |                                   |  |
|-----------------------------|------------------|-----------------------------------|--|
| Classification:             | Peso Bond Fund   | Net Asset Value per Unit (NAVPU): | P2,123.0034  |
| Launch Date:                | 18 February 2005 | Total Fund NAV:                   | P172.067 million   |
| Min. Initial Investment     | P10,000          | Dealing Day:                      | Daily, up to 12 noon                                       |
| Min. Additional Investment: | P1,000           | Redemption Settlement:            | Next banking day from date of redemption                   |
| Min. Holding Period:        | 30 calendar days | Early Redemption Charge:          | P500 or 0.25% of the amount withdrawn, whichever is higher |
| Applicable Tax:             | 20% Final Tax    | Valuation:                        | Marked-to-Market   |

**FEES\***

|   |   |  |                          |
|---|---|--|--------------------------|
| Trustee Fee:<br>0.0833333%<br><b>EastWest Bank – TAMG</b> | Custodianship Fee:<br>0.017611%<br><b>LAND BANK</b> | External Audit Fee:<br>0.014585%<br><b>SGV</b> | Other Fees:<br>0.000000% |
|---|---|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to provide for its participants the potential to earn intermediate-term returns higher than traditional bank deposits. The Fund maintains a total portfolio duration of more than one year to less than three years. The Fund's benchmark is the Bloomberg Philippine Sovereign Bond Index 1-3 Year.

**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 Fund is suitable for investors who:

- Have a moderate risk appetite
- Are looking for capital growth over an investment time horizon of at least three years

**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.**

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  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Liquidity risk – Potential or actual losses arising from the Fund's inability to convert its assets into cash immediately at minimal cost.

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- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

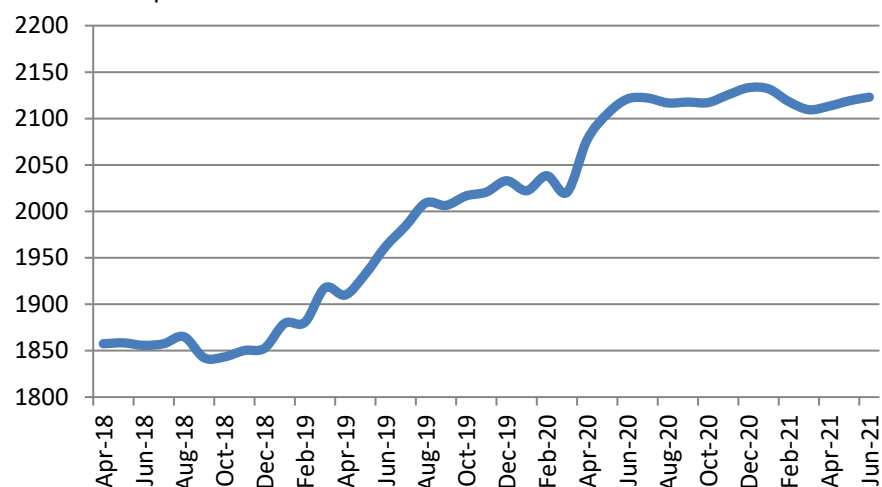
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- The Fund employs a risk management policy based on duration. Duration measures the sensitivity of NAVPU to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more the NAVPU will fluctuate in relation to changes in interest rates.

## FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



NAVPU over the past 12 months

|         |            |
|---------|------------|
| Highest | 2,133.9567 |
| Lowest  | 2,106.4340 |

### Key Statistics

|                          |          |
|--------------------------|----------|
| Weighted Ave. Duration   | 1.59     |
| Volatility, Past 1 Year* | 0.000604 |
| Sharpe Ratio**           | 0.10     |
| Information Ratio***     | -3.31    |

### Portfolio Composition (%)

|                       |        |
|-----------------------|--------|
| Cash                  | 18.26  |
| Government Securities | 81.74  |
| Total                 | 100.00 |

### Top Five Holdings (%)

|                 |       |
|-----------------|-------|
| RTB 5-12        | 31.42 |
| RTB 5-11        | 30.97 |
| TD - Other Bank | 11.69 |
| T-Bill          | 11.56 |
| RTB 5-13        | 8.72  |

|               | Cumulative Return |        |       | Annualized Return |       |
|---------------|-------------------|--------|-------|-------------------|-------|
|               | 1Mo               | YTD    | 1Yr   | 3Yrs              | 5Yrs  |
| Fund          | 0.19%             | -0.47% | 0.09% | 4.59%             | 2.81% |
| Benchmark**** | 0.58%             | 1.14%  | 2.91% | NA                | NA    |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*\*New benchmark approved October 31, 2019

## OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposits with EastWest Bank amounting to P11.29 million. The investment outlets were approved by the Board of Directors. All related party transactions are conducted on a best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The Bangko Sentral ng Pilipinas maintained its dovish policy once again by keeping key rates steady at a record low of 2 percent to cushion the economy from the impact of the pandemic. The central bank is seen to remain accommodative until the economy finds its footing. The Fund looks to invest in liquid fixed income securities and maintain portfolio duration within acceptable limits.

**PROSPECTIVE INVESTMENTS.** The Fund's prospective investments include securities issued by or guaranteed by the Philippine government, marketable fixed income securities issued by corporations and traded in an organized exchange, securities issued by or guaranteed by any government of a foreign country or any political subdivision of a foreign country, securities issued by any supranational entity, loans traded in an organized exchange, savings and time deposits in any bank or financial institution, and other tradable investment outlets categories as the BSP may allow.



**EAST WEST BANKING CORPORATION**
**EASTWEST DOLLAR INTERMEDIATE TERM BOND FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the Month 30 June 2021

**FUND FACTS**

|                                |                     |                                   |   |
|--------------------------------|---------------------|-----------------------------------|---|
| Classification:                | US Dollar Bond Fund | Net Asset Value per Unit (NAVPU): | USD 145.3376  |
| Launch Date:                   | 18 March 2005       | Total Fund NAV:                   | USD 2.708 million   |
| Minimum Initial Investment:    | USD 2,000           | Dealing Day:                      | Daily, up to 12 noon  |
| Minimum Additional investment: | USD 200             | Redemption Settlement:            | 3 banking days from date of redemption                          |
| Minimum Holding Period:        | 30 calendar days    | Early Redemption Charge:          | USD 10.00 or 0.25% of the amount withdrawn, whichever is higher |
| Applicable Tax:                | 15% Final Tax       | Valuation:                        | Marked-to-Market  |

**FEES\***

|  |  |  |                          |
|--|--|--|--------------------------|
| Trustee Fee:<br>0.041572%<br><b>EastWest Bank – TAMG</b> | Custodianship Fee:<br>0.0014585%<br><b>LAND BANK</b> | External Audit Fee:<br>0.018691%<br><b>SGV</b> | Other Fees:<br>0.000186% |
|--|--|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund aims to achieve for its participants the potential to earn enhanced intermediate-term returns by investing in sovereign bonds issued by the Republic of the Philippines and other countries, corporate notes and bonds, term deposits and other tradable instruments. The Fund maintains a total portfolio duration of up to three years. The Fund's benchmark is the 25% Bloomberg Barclays EM USD Sovereign: Philippines Total Return Index + 75% Average Philippine US Dollar Savings Deposit Rate.

**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 Fund is suitable for investors who:

- Have a moderate risk appetite
- Are looking for capital growth over an investment time horizon of at least three years

**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.**

- Investors may not get back the value of their original investment.
- The value of the Fund may rise or fall. You may lose some or all of your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Liquidity risk – Potential or actual losses arising from the Fund's inability to convert its assets into cash immediately at minimal cost.
  - Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

- ❖ **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
- ❖ **THE 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**

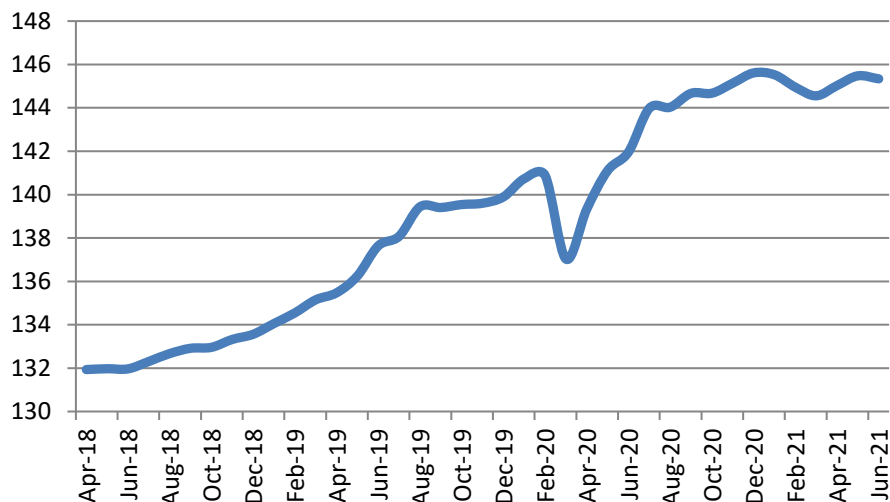
These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

- The Fund employs a risk management policy based on duration. Duration measures the sensitivity of NAVPU to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more the NAVPU will fluctuate in relation to changes in interest rates.

### FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



| NAVPU over the past 12 months |         |
|-------------------------------|---------|
| Highest                       | 145.749 |
|                               | 1       |
| Lowest                        | 141.990 |
|                               | 1       |

| Key Statistics            |         |
|---------------------------|---------|
| Weighted Ave.             | 2.41    |
| Duration                  |         |
| Volatility, Past 1 Year*  | 0.00060 |
| Sharpe Ratio**            | N/A     |
| Information Ratio***      | N/A     |
| Portfolio Composition (%) |         |
| Government Securities     | 49.33   |
| Cash                      | 4.68    |
| Corporate Bonds           | 45.99   |
| Total                     | 100.00  |

| Top Five Holdings (%) |       |
|-----------------------|-------|
| ROP 24                | 24.43 |
| ROP 25                | 22.19 |
| ROP 25                | 20.24 |
| BPI 23                | 7.97  |
| UBP 22                | 7.71  |

|               | Cumulative Return |        |       | Annualized Return |       |
|---------------|-------------------|--------|-------|-------------------|-------|
|               | 1Mo               | YTD    | 1Yr   | 3Yrs              | 5Yrs  |
| Fund          | -0.10%            | -0.19% | 2.38% | 3.27%             | 1.98% |
| Benchmark**** | NA                | NA     | NA    | NA                | NA    |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*\*Benchmark under review

### OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposits with EastWest Bank amounting to \$125,692. The investment outlets were approved by the Board of Directors. Moreover, all related party transactions are conducted on a best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The Fed recapitulated its planned strong monetary support for the U.S. economy until the economy recovers from last year's recession brought upon by the pandemic. U.S. Inflation is seen to remain elevated for the next couple of months however, the increase is seen to be largely transitory in nature. The Fund looks to invest in liquid securities and maintain portfolio duration within acceptable limits.

**PROSPECTIVE INVESTMENTS.** The Fund's prospective investments include securities issued by or guaranteed by the Philippine government, marketable fixed income securities issued or guaranteed by corporations and traded in an organized exchange, securities issued or guaranteed by any government of foreign country or any political subdivision of foreign country, securities issued or guaranteed by any supranational entity, loans traded in an organized exchange, savings and time deposits in any bank of financial institution, and other tradable investment outlets categories as the BSP may allow.

**EASTWEST BANKING CORPORATION**
**EASTWEST PHILEQUITY FEEDER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the Month 30 June 2021

**FUND FACTS**

|                             |  |                                   |   |
|-----------------------------|--|-----------------------------------|---|
| Classification:             | Equity Feeder Fund   | Net Asset Value per Unit (NAVpU): | Php 916.0222  |
| Launch Date:                | October 29, 2014   | Total Fund NAV:                   | Php 265.280 million   |
| Min. Initial Investment:    | Php10,000.00   | Dealing Day:                      | Daily, up to 12 noon  |
| Min. Additional Investment: | Php1,000.00  | Redemption Settlement:            | 4 banking days from date of redemption                        |
| Min. Holding Period:        | 30 calendar days   | Early Redemption Charge:          | Php500 or 0.25% of the redemption amount, whichever is higher |
| Applicable Tax:             | 20% final tax on interest income from fixed income, money market investments | Valuation:                        | Marked-to-Market  |

**FEES\***

|  |                                 |  |                          |
|--|---------------------------------|--|--------------------------|
| Trustee Fee:<br>0.083629%<br><b>EastWest Bank - Trust Division</b> | Custodianship Fee:<br>0.000000% | External Audit Fee:<br>0.009158%<br><b>SGV</b> | Other Fees:<br>0.000000% |
|--|---------------------------------|--|--------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a feeder fund, intends to achieve for its participants long-term capital appreciation through investing primarily in a portfolio of listed Philippine equities. The Fund aims to match or exceed the return of the Philippine Stock Exchange Index (PSEi). Toward this end, the Fund shall invest all or substantially its assets in the Philequity Fund, Inc.

**CLIENT SUITABILITY**

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 Fund is suitable for investors who: (a) have high risk appetite; and (b) are looking for capital growth over an investment time horizon of at least 5 years through a managed portfolio of equity securities.

**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.**

- The target fund, Philequity Fund, employs a risk management policy based on appropriate diversification of investments intended to generate long term appreciation of the Fund.
- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all of your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:

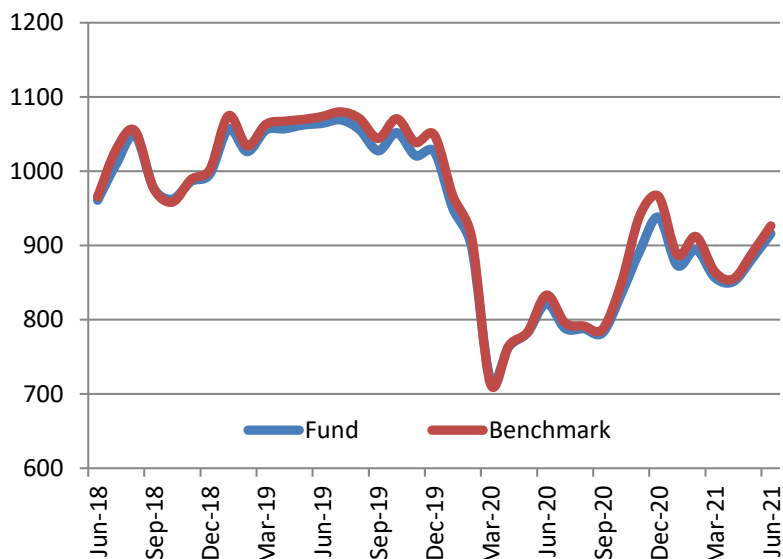
- ❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- ❖ THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY.
- ❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT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

- Counterparty risk -- Potential or actual losses arising from risks particular to a feeder fund arrangement, as the fund is significantly dependent upon the target fund's communicated investment strategy including excessive concentration as well as timing of data transmittal.
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Liquidity Risk – Potential or actual losses arising from the Fund's inability to convert its assets into cash immediately at minimal cost.
- These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

## FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



### NAVPU over the past 12 months

|         |          |
|---------|----------|
| Highest | 961.6690 |
| Lowest  | 764.8070 |

### Key Statistics

|                          |          |
|--------------------------|----------|
| Volatility, Past 1 Year* | 0.010742 |
| Sharpe Ratio**           | 0.01     |
| Information Ratio***     | 0.08     |

### Portfolio Composition (%)

|                 |        |
|-----------------|--------|
| PhilEquity Fund | 100.00 |
|-----------------|--------|

### PhilEquity Fund Top Ten Holdings (%)

|   |       |
|---|-------|
| SM Investments Corp.                            | 13.97 |
| SM Prime Holdings, Inc.                         | 9.02  |
| Ayala Land, Inc.                                | 8.01  |
| Ayala Corporation                               | 7.33  |
| BDO Unibank Inc.                                | 6.12  |
| International Container Terminal Services, Inc. | 5.93  |
| Bank of the Philippine Islands                  | 4.83  |
| JG Summit Holdings, Inc.                        | 4.69  |
| Jollibee Foods Corporation                      | 3.66  |
| Metropolitan Bank and Trust Company             | 3.40  |

| Returns   | Cumulative |        |        |                |
|-----------|------------|--------|--------|----------------|
|           | 1Mo        | YTD    | 1Yr    | Annualized 3Yr |
| Fund      | 3.84%      | -2.36% | 11.41% | -1.58%         |
| Benchmark | 4.12%      | -3.33% | 11.18% | -4.06%         |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

## OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund's target fund (PhilEquity Fund, Inc.) has holdings of Filinvest Land Inc. and East West Banking Corporation shares of stocks.

**OUTLOOK AND STRATEGY.** Despite the country remaining under lockdown, the Fund still gained during the month on positive investor sentiment. Market participants cheered the passage of *Bayanihan* Act III in the House of Representatives, the arrival of more COVID-19 vaccines, and the start of A4 priority group inoculation. The Fund will continue to track the performance of the Philippine Stock Exchange Index.

**PROSPECTIVE INVESTMENT.** The Fund's prospective investments, depending on availability and market development, may include but are not limited to, PhilEquity Fund, Time Deposits, Government Securities and tradable fixed income securities issued by local financial institutions or private corporations. Investment in the PhilEquity Fund may amount up to 100% of total assets but shall not fall below 90% of total assets of the Fund.

EastWest Bank – Trust Division, 3F EastWest Corporate Center, 5<sup>th</sup> Ave. cor. 23<sup>rd</sup> St., Bonifacio Global City Taguig. Telephone Numbers: (02) 8575-3888 local 3020/3037 Website: [www.eastwestbanker.com](http://www.eastwestbanker.com). For inquiries or complaints, you may contact EastWest Bank through our 24/7 Customer Service Hotline 8888-1700.

**EASTWEST BANKING CORPORATION**
**EASTWEST PSEI TRACKER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the Month 30 June 2021

**FUND FACTS**

|                             |  |                                   |   |
|-----------------------------|--|-----------------------------------|---|
| Classification:             | PSEi Tracker Fund  | Net Asset Value per Unit (NAVpU): | Php 99.4106   |
| Launch Date:                | December 1, 2015   | Total Fund NAV:                   | Php 4,311.928 million   |
| Min. Initial Investment:    | Php10,000.00   | Dealing Day:                      | Daily, up to 12 noon  |
| Min. Additional Investment: | Php1,000.00  | Redemption Settlement:            | 4 banking days from date of redemption                        |
| Min. Holding Period:        | 30 calendar days   | Early Redemption Charge:          | Php500 or 0.25% of the redemption amount, whichever is higher |
| Applicable Tax:             | 20% final tax on interest income from fixed income, money market investments | Valuation:                        | Marked-to-Market  |

**FEES\***

|                                       |                                 |                                  |                          |
|---------------------------------------|---------------------------------|----------------------------------|--------------------------|
| Trustee Fee:<br>0.062424%             | Custodianship Fee:<br>0.017050% | External Audit Fee:<br>0.000595% | Other Fees:<br>0.000275% |
| <b>EastWest Bank - Trust Division</b> | <b>HSBC</b>                     | <b>SGV</b>                       |                          |

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund seeks to achieve investment returns that track the performance of the Philippine Stock Exchange Index (PSEi) by investing in a diversified portfolio of stocks comprising the PSEi in the same weights as the index. The Fund will be passively managed by EW Trust Division.

**CLIENT SUITABILITY**

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 Fund is ideal for investors who: (a) have high risk appetite; and (b) are looking for capital growth with a long-term investment horizon of at least ten (10) years.

**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.**

- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all of your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation,

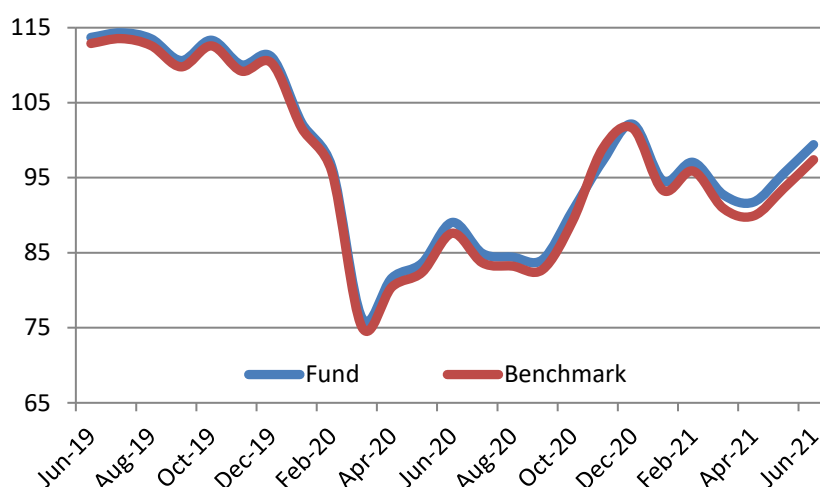
|  |
|--|
| ❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).                                 |
| ❖ THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY.                        |
| ❖ WHEN 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.                                       |

market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:

- Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
- Liquidity risk – Potential or actual losses arising from the Fund’s inability to convert its assets into cash immediately at minimal cost.
- Index Tracking risk – Potential or actual losses arising from not being able to achieve a level of return that matches the index being tracked by the fund.
- These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

**FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021**  
**(Purely for reference purposes and is not a guarantee of future results)**

NAVPU Graph



NAVPU over the past 12 months

|         |          |
|---------|----------|
| Highest | 104.4716 |
| Lowest  | 81.8804  |

Key Statistics

|                          |          |
|--------------------------|----------|
| Volatility, Past 1 Year* | 0.012118 |
| Sharpe Ratio**           | 0.02     |
| Tracking Error***        | 0.0005   |

Top Ten Holdings (%)

|   |       |
|---|-------|
| SM Investments Corporation                      | 16.62 |
| SM Prime Holdings, Inc.                         | 10.92 |
| Ayala Land, Inc.                                | 8.39  |
| Ayala Corporation                               | 6.56  |
| BDO Unibank, Inc.                               | 6.28  |
| Bank of the Philippine Islands                  | 5.53  |
| JG Summit Holdings, Inc.                        | 5.38  |
| International Container Terminal Services, Inc. | 4.91  |
| Universal Robina Corporation                    | 4.12  |
| Aboitiz Equity Ventures, Inc.                   | 3.21  |

| Returns   | Cumulative |        |        | Annualized |
|-----------|------------|--------|--------|------------|
|           | 1Mo        | YTD    | 1Yr    | 3Yr        |
| Fund      | 4.05%      | -2.66% | 11.64% | -0.65%     |
| Benchmark | 4.12%      | -3.33% | 11.18% | NA         |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

\*\*\*Tracking error is a measure of the deviation of the Fund's returns from the benchmark. The lower the number, the better.

**OTHER DISCLOSURES**

**RELATED PARTY TRANSACTIONS.** The Fund has deposits with EastWest Bank amounting to P68.58 million. These investment outlets were approved by the Board of Directors. Likewise, all related party transactions are conducted on best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** Despite the country remaining under lockdown, the Fund still gained during the month on positive investor sentiment. Market participants cheered the passage of *Bayanihan* Act III in the House of Representatives, the arrival of more COVID-19 vaccines, and the start of A4 priority group inoculation. The Fund will continue to track the performance of the Philippine Stock Exchange Index.

**PROSPECTIVE INVESTMENT.** The Fund's prospective investments, depending on availability and market development, may include but are not limited to, stocks in the Philippine Stock Exchange Index, Time Deposits, Government Securities and tradable fixed income securities issued by local financial institutions or private corporations.

EastWest Bank – Trust Division, 3F EastWest Corporate Center, 5<sup>th</sup> Ave. cor. 23<sup>rd</sup> St., Bonifacio Global City Taguig. Telephone Numbers: (02) 8575-3888 local 3020/3037 Website: [www.eastwestbanker.com](http://www.eastwestbanker.com). For inquiries or complaints, you may contact EastWest Bank through our 24/7 Customer Service Hotline 8888-1700.

**EASTWEST BANKING CORPORATION**
**EASTWEST S&P 500 INDEX EQUITY FEEDER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the Month 30 June 2021**
**FUND FACTS**

|                             |  |                                   |   |
|-----------------------------|--|-----------------------------------|---|
| Classification:             | Equity Feeder Fund   | Net Asset Value per Unit (NAVpU): | USD 149.4481  |
| Launch Date:                | April 23, 2020   | Total Fund NAV:                   | USD 1.276 million   |
| Min. Initial Investment:    | USD 500.00   | Dealing Day:                      | Daily, up to 12 noon  |
| Min. Additional Investment: | USD 200.00   | Redemption Settlement:            | 5 banking days from date of redemption                        |
| Min. Holding Period:        | 30 calendar days   | Early Redemption Charge:          | USD 10 or 0.25% of the redemption amount, whichever is higher |
| Applicable Tax:             | 15% final tax on interest income from fixed income, money market investments, 30% withholding tax on target fund's dividends | Valuation:                        | Marked-to-Market  |

**FEES\***

|   |                                |   |                         |
|---|--------------------------------|---|-------------------------|
| Trustee Fee:<br>.041536%<br><b>EastWest Bank - Trust Division</b> | Custodianship Fee:<br>.000000% | External Audit Fee:<br>.027166%<br><b>SGV</b> | Other Fees:<br>.001967% |
|---|--------------------------------|---|-------------------------|

\*Ratio of expense to the quarter's average daily net asset value.

**INVESTMENT OBJECTIVE AND STRATEGY**

The Fund, operating as a feeder fund, intends to achieve for its investors long-term capital appreciation through investing primarily in a portfolio of listed United States of America equities. The Fund aims to match or exceed the return of the S&P 500 Index (SPX). Toward this end, the Fund shall invest all or substantially its assets in the iShares Core S&P 500 Exchange Traded Fund (ETF).

**CLIENT SUITABILITY**

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 Fund is suitable for investors who: (a) have high risk appetite; and (b) are looking for capital growth over an investment time horizon of at least 5 years through a managed portfolio of equity securities.

**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.**

- The target fund, iShares Core S&P 500 Exchange Traded Fund, employs a risk management policy based on appropriate diversification of investments intended to generate long term appreciation of the Fund.
- Investors may not get back the value of their original investment upon redemption.
- The value of the Fund may rise or fall. You may lose some or all of your investment depending on the performance of the underlying securities. Factors that may affect the performance of these securities include, without limitation, market risks, fluctuations in interest rates, political instability, exchange controls, changes in taxation and foreign investment policies. Some of the key risks associated with the Fund are described below:

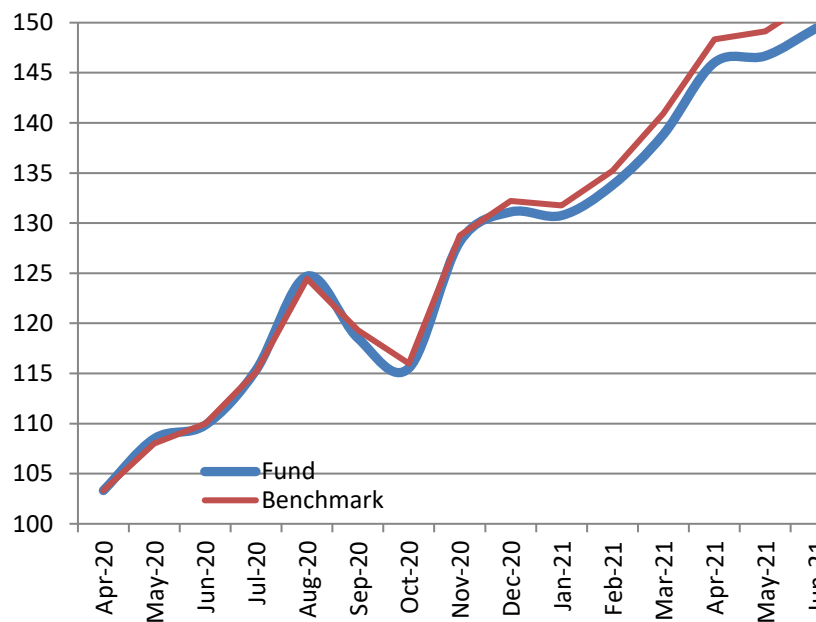
- ❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- ❖ THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY.
- ❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT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

- Counterparty risk -- Potential or actual losses arising from risks particular to a feeder fund arrangement, as the fund is significantly dependent upon the target fund's communicated investment strategy including excessive concentration as well as timing of data transmittal.
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
  - Liquidity Risk – Potential or actual losses arising from the Fund's inability to convert its assets into cash immediately at minimal cost.
- These are the principal risk factors which may affect the performance of the Fund. If you would like more information before you invest, please consult the most recent Declaration of Trust (DOT). The rights and duties of the investor are in the DOT.

## FUND PERFORMANCE AND STATISTICS AS OF 30 JUNE 2021

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

NAVPU Graph



### NAVPU over the past 12 months

|         |          |
|---------|----------|
| Highest | 149.4500 |
| Lowest  | 109.8500 |

### Key Statistics

|                          |          |
|--------------------------|----------|
| Volatility, Past 1 Year* | 0.009750 |
| Sharpe Ratio**           | NA       |
| Information Ratio***     | NA       |

### Portfolio Composition (%)

|                          |        |
|--------------------------|--------|
| iShares Core S&P 500 ETF | 98.97% |
| TD - Own Bank            | 1.03%  |

### iShares Core S&P 500 ETF Top Ten Holdings (%)

|                        |       |
|------------------------|-------|
| Apple Inc              | 5.90% |
| Microsoft Corp         | 5.60% |
| Amazon.com, Inc.       | 4.05% |
| Facebook Inc A         | 2.29% |
| Alphabet Inc Class A   | 2.02% |
| Alphabet Inc Class C   | 1.96% |
| Berkshire Hathaway Inc | 1.45% |
| Tesla Inc.             | 1.44% |
| Nvidia Corp            | 1.37% |
| JP Morgan Chase & Co   | 1.29% |

| Returns   | Cumulative |        |        | Annualized |
|-----------|------------|--------|--------|------------|
|           | 1Mo        | YTD    | 1Yr    | 3Yr        |
| Fund      | 1.89%      | 13.99% | 37.71% | NA         |
| Benchmark | 2.09%      | 15.00% | 40.57% | NA         |

\*Volatility measures the degree to which the Fund fluctuates on a daily basis 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.

## OTHER DISCLOSURES

**RELATED PARTY TRANSACTIONS.** The Fund has deposits with EastWest Bank amounting to USD13,174. These investment outlets were approved by the Board of Directors. Likewise, all related party transactions are conducted on best execution and arm's length basis.

**OUTLOOK AND STRATEGY.** The S&P500 index hit fresh highs during the month despite investor worries of hotter-than-expected US inflation rate. However, Fed officials believe that high inflation remains temporary thus, a hike in interest rates this year is not warranted. Listed companies' second quarter earnings results will take the center stage beginning July. Better-than-expected corporate profits can bring the S&P500 index to new highs.

**PROSPECTIVE INVESTMENT.** The Fund's prospective investments, depending on availability and market development, may include but are not limited to, iShares Core S&P 500 ETF, Time Deposits, Government Securities and tradable fixed income securities issued by local financial institutions or private corporations. Investment in the iShares Core S&P 500 ETF may amount up to 100% of total assets but shall not fall below 90% of total assets of the Fund.

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