

**EAST WEST BANKING CORPORATION**
**EASTWEST PESO MONEY MARKET FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the month ending 31 August 2023

**FUND FACTS**

Classification:	Peso Money Market	Net Asset Value per Unit (NAVPU):	₱117.8742
Launch Date:	1 June 2016	Total Fund NAV:	₱306.465 Million
Min. Initial Investment:	₱10,000	Dealing Day:	Daily, up to 12 noon
Min. Additional Investment:	₱1,000	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: 0.021727% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.019016% <b>LAND BANK</b>	External Audit Fee: 0.010099% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at Php 326,894,431.82.

**INVESTMENT OBJECTIVE AND STRATEGY**

The fund aims to provide its participants liquidity and stable income derived from diversified portfolio of fixed income instruments. It is ideal for investors with moderate risk profile.

**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 one year

**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 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**

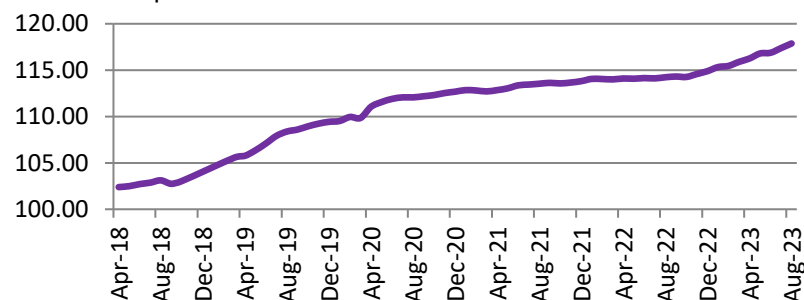
- Reinvestment risk – Potential or actual losses from reinvesting interest earnings at a rate lower than the original investment.

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 31 AUGUST 2023**  
(Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



NAVPU over the past 12 months

Highest	117.8740
Lowest	114.1457

Key Statistics

Weighted Ave. Duration	0.83
Volatility, Past 1 Year*	0.0003761
Sharpe Ratio**	-3.51
Information Ratio***	5.40

Top Five Holdings (%)

TBILL 08/07/24	50.76%
TBILL 06/19/24	13.49%
RTB 03-11	10.27%
FLI 06-25	4.43%
TD - Other Bank	3.54%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	0.43%	2.60%	3.19%	1.70%	2.71%
Benchmark****	0.51%	3.47%	4.83%	2.62%	3.67%

\*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 a bond investment in Filinvest Land Corp amounting to P13.60 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.** Local bond yields fell slightly on average MoM in August, with the short-to-belly (2 to 6 years) part of the curve driving most of the decline. Local yields inched higher at the start of the month following the surprise Fitch downgrade of the US credit rating from AAA to AA+. Upside inflation risks were also factored in by the market after the BSP adjusted its inflation forecast upward for the year to 5.6%. However, CPI print continued to decelerate at 4.7% YoY in July versus the 5.4% the previous month and consensus estimate of 4.9%. Strong bond buying activity ensued in the latter part of the month as proceeds of the recent bond maturity flowed back to the market. We expect yields to move sideways to downward as investors focus on the upcoming Fed meeting, with the probability of a rate hike declining.

**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 INTERMEDIATE TERM BOND FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the month ending 31 August 2023

**FUND FACTS**

Classification:	Peso Bond Fund	Net Asset Value per Unit (NAVPU):	₱2,155.5722
Launch Date:	18 February 2005	Total Fund NAV:	₱108.613 million
Min. Initial Investment	₱10,000	Dealing Day:	Daily, up to 12 noon
Min. Additional Investment:	₱1,000	Redemption Settlement:	Next banking day from date of redemption
Min. Holding Period:	30 calendar days	Early Redemption Charge:	₱500 or 0.25% of the amount withdrawn, whichever is higher
Applicable Tax:	20% Final Tax	Valuation:	Marked-to-Market

**FEES\***

Trustee Fee: 0.086220% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.013539% <b>LAND BANK</b>	External Audit Fee: 0.030765% <b>SGV</b>	Other Fees: 0.000000
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\*As a percentage of average daily NAV for the month valued at Php 109,093,800.29.

**INVESTMENT OBJECTIVE AND STRATEGY**

The funds aims to provide its participants the potential earn intermediate-term returns higher than traditional bank deposits. The fund maintains a total portfolio of more than one year or less than three years. It aims to outperform the Bloomberg Philippine Sovereign Bond Index 1-3 Year, Adjusted.

**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.

- ❖ **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**

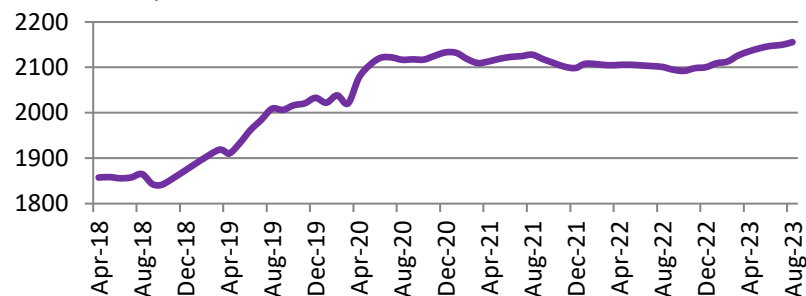
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

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 31 AUGUST 2023 (Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



NAVPU over the past 12 months

Highest	2,155.5720
Lowest	2,091.7130

Key Statistics

Weighted Ave. Duration	1.49
Volatility, Past 1 Year*	0.000862
Sharpe Ratio**	-1.95
Information Ratio***	0.00

Top Five Holdings (%)

TBILL 08/07/24	52.81%
FXTN 07-68	9.98%
FDC 24 R21	8.28%
SMCGP 04-24 R22	5.91%
FXTN 07-67	4.65%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	0.28%	2.63%	2.60%	0.61%	2.94%
Benchmark****	0.61%	3.49%	3.02%	1.72%	4.12%

\*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 a bond investment in Filinvest Development Corp amounting to P8.98 million. The investment outlet 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.** Local bond yields fell slightly on average MoM in August, with the short-to-belly (2 to 6 years) part of the curve driving most of the decline. Local yields inched higher at the start of the month following the surprise Fitch downgrade of the US credit rating from AAA to AA+. Upside inflation risks were also factored in by the market after the BSP adjusted its inflation forecast upward for the year to 5.6%. However, CPI print continued to decelerate at 4.7% YoY in July versus the 5.4% the previous month and consensus estimate of 4.9%. Strong bond buying activity ensued in the latter part of the month as proceeds of the recent bond maturity flowed back to the market. We expect yields to move sideways to downward as investors focus on the upcoming Fed meeting, with the probability of a rate hike declining.

**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 PESO LONG TERM BOND FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the month ending 31 August 2023

**FUND FACTS**

Classification:	Peso Bond Fund	Net Asset Value per Unit (NAVPU):	₱1,585.7883
Launch Date:	1 March 2007	Total Fund NAV:	₱134.619 million
Min. Initial Investment:	₱50,000	Dealing Day:	Daily, up to 12 noon
Min. Additional Investment:	₱1,000	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: 0.086114% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.014331% <b>LAND BANK</b>	External Audit Fee: 0.025055% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at Php 133,951,986.05.

**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 ten years. It aims to outperform the Bloomberg Philippine Sovereign Bond Index AI, adjusted.

**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 ten 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.

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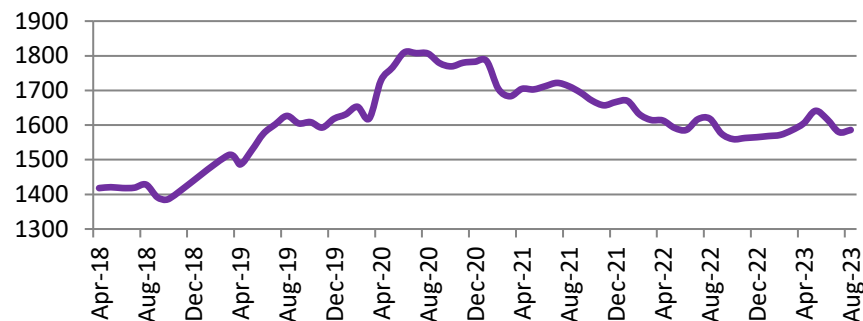
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

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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 31 AUGUST 2023 (Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



NAVPU over the past 12 months

Highest	1,646.3551
Lowest	1,557.2944

### Key Statistics

Weighted Ave. Duration	4.62
Volatility, Past 1 Year*	0.002215
Sharpe Ratio**	-2.24
Information Ratio***	-2.13

### Top Five Holdings (%)

RTB 05-17	20.06%
FXTN 07-62	19.40%
FXTN 20-22	12.98%
FXTN 25-07	11.60%
FXTN 20-25	10.23%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	0.38%	1.33%	-2.02%	-4.25%	2.12%
Benchmark****	0.63%	5.94%	3.90%	-0.93%	5.86%

\*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 bond investments in Filinvest Development Corp and Filinvest Land amounting to P2.99 million and P1.16 million, respectively. 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.** Local bond yields fell slightly on average MoM in August, with the short-to-belly (2 to 6 years) part of the curve driving most of the decline. Local yields inched higher at the start of the month following the surprise Fitch downgrade of the US credit rating from AAA to AA+. Upside inflation risks were also factored in by the market after the BSP adjusted its inflation forecast upward for the year to 5.6%. However, CPI print continued to decelerate at 4.7% YoY in July versus the 5.4% the previous month and consensus estimate of 4.9%. Strong bond buying activity ensued in the latter part of the month as proceeds of the recent bond maturity flowed back to the market. We expect yields to move sideways to downward as investors focus on the upcoming Fed meeting, with the probability of a rate hike declining.

**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 exchanged, savings and time deposits in any bank or financial institution, and other tradable investment outlets categories as the BSP may allow.

**EASTWEST BANKING CORPORATION**
**EASTWEST PSEI TRACKER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the month ending 31 August 2023**
**FUND FACTS**

Classification:	PSEi Tracker Fund	Net Asset Value per Unit (NAVpU):	Php 91.6578
Launch Date:	December 1, 2015	Total Fund NAV:	Php 7.218 Billion
Minimum Initial Investment:	Php10,000.00	Dealing Day:	Daily, up to 12 noon
Minimum Additional Investment:	Php1,000.00	Redemption Settlement:	4 banking days from date of redemption
Minimum 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: 0.064549% <b>EastWest Bank - Trust &amp; Asset Management Group</b>	Custodianship Fee: 0.021979% <b>HSBC</b>	External Audit Fee: 0.000456% <b>SGV</b>	Other Fees: 0.000162%
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\*As a percentage of average daily NAV for the month valued at Php 7,337,694,391.57.

**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. It is ideal for investors with long-term investment horizon of at least 10 years. The fund aims to match or exceed the return of the Philippine Stock Exchange Composite Index (PSEi).

**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**

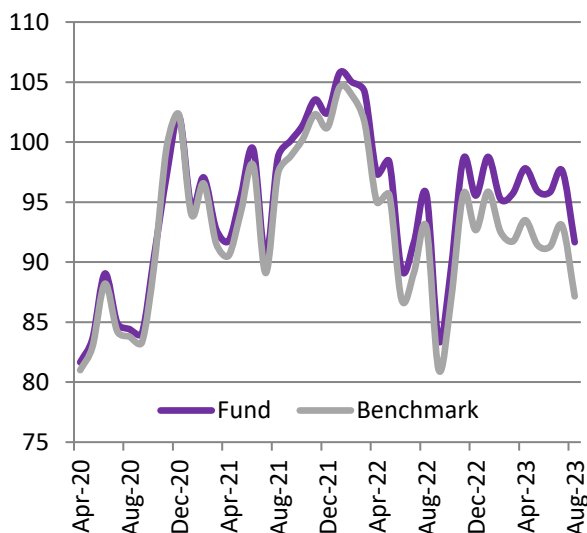
**You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.**

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- ❖ 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.

- 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:
  - 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 31 AUGUST 2023**  
**(Purely for reference purposes and is not a guarantee of future results)**

NAVPU Graph



NAVPU over the past 12 months

Highest	103.1902
Lowest	83.4781

Key Statistics

Volatility, Past 1 Year*	0.010989
Sharpe Ratio**	-0.54
Tracking Error***	0.0006

Top Ten Holdings (%)

SM Investments Corp	14%
BDO Unibank Inc	9%
SM Prime Holdings Inc	9%
Bank of the Philippine Islands	8%
Int'l. Container Terminal Services Inc.	6%
Ayala Land Inc	6%
Ayala Corp	6%
Aboitiz Equity Ventures Inc	4%
Jollibee Foods Corp	3%
Metropolitan Bank & Trust Co	3%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	-6.09%	-4.07%	-4.20%	8.58%
Benchmark	-6.31%	-5.96%	-6.20%	4.72%

\*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.

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



## OTHER DISCLOSURES

**OUTLOOK AND STRATEGY.** Local equities fell in August after index heavyweights SM Investments Corp (SM) and SM Prime Holdings (SMPH) fell 8.7% and 12.6%, respectively, following the government's order to suspend all reclamation projects in Manila Bay. The market was also weighed by the disappointing GDP growth in Q2, which clocked in at 4.3% against the consensus estimate of 6.0%. More worrisome is the fact that the economy contracted 0.9% on a quarter-on-quarter basis. The biggest drag on growth was tepid government spending, but economic managers also blamed higher borrowing costs and commodity prices for the weaker business activity during the period. Despite the steady deceleration in consumer prices since January, recent increases in the prices of key commodities might keep inflation above the central bank's target range of 2-4% for longer. Some securities were also affected by changes to weightings in major global indexes (MSCI Index, FTSE World and FTSE All World) announced last month. We lowered our yearend target for the PSEi from 7,200 to 6,800 due to the following reasons: (1) weaker growth outlook for the Philippines, (2) the challenging economic conditions in China, our largest trading partner, (3) the unexpected downgrade to the US's credit rating, and (4) the increasing likelihood that the Bangko Sentral ng Pilipinas might raise rates later this year.

**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 BANKING CORPORATION**
**EASTWEST PHILEQUITY FEEDER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the month ending 31 August 2023**
**FUND FACTS**

Classification:	Equity Feeder Fund	Net Asset Value per Unit (NAVpU)	Php 862.3900
Launch Date:	October 29, 2014	Total Fund NAV:	Php 238.353 million
Minimum Initial Investment:	Php10,000.00	Dealing Day	Daily, up to 12 noon
Minimum Additional Investment:	Php1,000.00	Redemption Settlement:	4 banking days from date of redemption
Minimum 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: 0.086102%	Custodianship Fee: 0.000000%	External Audit Fee: 0.013744%	Other Fees: 0.000000%
<b>EastWest Bank - Trust &amp; Asset Management Group</b>		<b>SGV</b>	

\*As a percentage of average daily NAV for the month valued at Php 244,189,613.71.

**INVESTMENT OBJECTIVE AND STRATEGY**

The funds seeks to provide its participants long-term capital appreciation by participating in the growth of share values of corporations listed on the Philippine Stock Exchange. It is ideal for investors with a long-term investment horizon of at least five years who want to have exposure in Philippine stocks and who understand the investment risks involved when investing in equity securities. The fund aims to match or exceed the return of the Philippine Stock Exchange Composite Index (PSEi).

**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 ten (10) years through a managed portfolio of equity securities.

**KEY RISKS AND RISK MANAGEMENT**

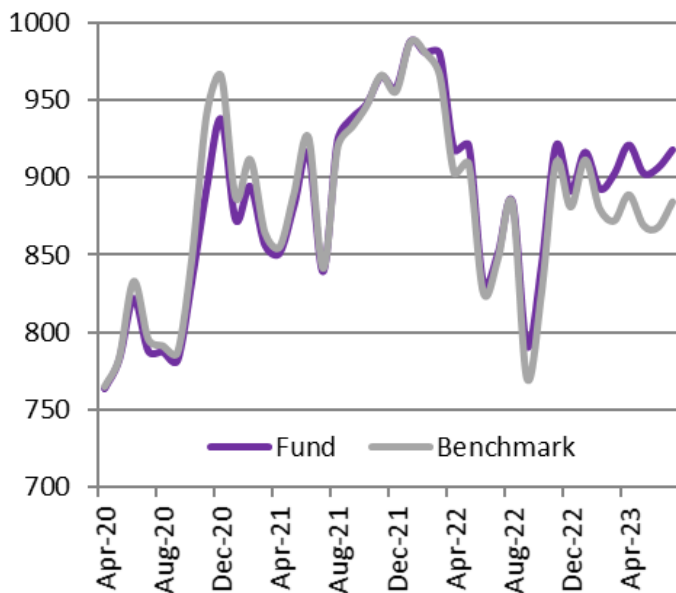
**You should not invest in this Fund if you do not understand or are not comfortable with the accompanying risks.**

- ❖ THE 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.

- 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:
  - 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 31 AUGUST 2023**  
**(Purely for reference purposes and is not a guarantee of future results)**

NAVPU Graph



NAVPU over the past 12 months

Highest	954.0969
Lowest	791.6656

Key Statistics

Volatility, Past 1 Year*	0.009945
Sharpe Ratio**	-0.49
Information Ratio***	1.24

Portfolio Composition (%)

PhilEquity Fund	100.00
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PhilEquity Fund Top Ten Holdings (%)

SM Investments Corporation	14.0%
BDO Unibank, Inc.	8.8%
Bank of the Philippine Islands	7.4%
SM Prime Holdings, Inc	7.2%
Int'l. Container Terminal Services Inc.	6.5%
Universal Robina Corporation	5.3%
Ayala Land, Inc.	4.7%
Jollibee Foods Corp.	4.3%
Metropolitan Bank & Trust Co	3.8%
Aboitiz Equity Ventures Inc.	3.8%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	-6.09%	-3.27%	-2.55%	9.47%
Benchmark	-6.31%	-5.96%	-6.20%	4.72%

\*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**

EastWest Bank – Trust Asset Management & Trust Group, 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 | 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.

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

**OUTLOOK AND STRATEGY.** Local equities fell in August after index heavyweights SM Investments Corp (SM) and SM Prime Holdings (SMPH) fell 8.7% and 12.6%, respectively, following the government's order to suspend all reclamation projects in Manila Bay. The market was also weighed by the disappointing GDP growth in Q2, which clocked in at 4.3% against the consensus estimate of 6.0%. More worrisome is the fact that the economy contracted 0.9% on a quarter-on-quarter basis. The biggest drag on growth was tepid government spending, but economic managers also blamed higher borrowing costs and commodity prices for the weaker business activity during the period. Despite the steady deceleration in consumer prices since January, recent increases in the prices of key commodities might keep inflation above the central bank's target range of 2-4% for longer. Some securities were also affected by changes to weightings in major global indexes (MSCI Index, FTSE World and FTSE All World) announced last month. We lowered our yearend target for the PSEi from 7,200 to 6,800 due to the following reasons: (1) weaker growth outlook for the Philippines, (2) the challenging economic conditions in China, our largest trading partner, (3) the unexpected downgrade to the US's credit rating, and (4) the increasing likelihood that the Bangko Sentral ng Pilipinas might raise rates later this year.

**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.

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

For the month ending 31 August 2023

**FUND FACTS**

Classification:	US Dollar Bond Fund	Net Asset Value per Unit (NAVPU):	USD 139.7845
Launch Date:	18 March 2005	Total Fund NAV:	USD 1.85 million
Minimum Initial Investment:	USD 2,000	Dealing Day:	Daily, up to 12 noon
Minimum Additional investment:	No minimum amount for succeeding investment	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: 0.043155% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.008269% <b>LAND BANK</b>	External Audit Fee: 0.035942% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at USD 1,867,746.76

**INVESTMENT OBJECTIVE AND STRATEGY**

The fund aims to achieve for its participants the potential to 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 securities. The fund maintains a total portfolio duration of more than one year to less than three years. The Fund's benchmark is 25% Bloomberg USD Emerging Market Philippines Sovereign Bond 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: (a) have a moderate risk appetite and (b) are looking for capital growth over an investment time horizon of at least three (3) 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:

- ❖ **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**

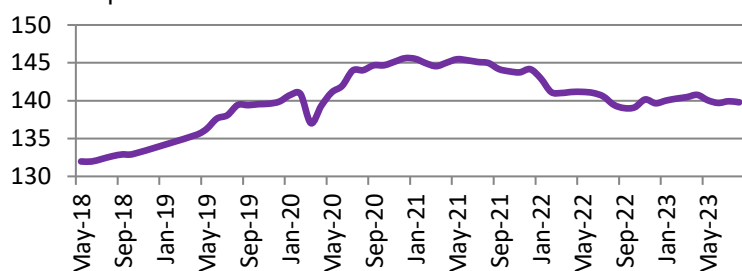
- Market risk – Potential or actual losses arising from adverse changes in market prices of securities.
- Liquidity risk – Potential or actual losses arising from the Fund’s inability to convert its assets into cash immediately at minimal cost.
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

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 31 AUGUST 2023**  
**(Purely for reference purposes and is not a guarantee of future results)**

NAVPU Graph



NAVPU over the past 12 months

Highest	141.1348
Lowest	138.8715

Key Statistics

Weighted Ave. Duration	2.26
Volatility, Past 1 Year*	0.00088
Sharpe Ratio**	-2.97
Information Ratio***	-0.01

Top Five Holdings (%)

INDON 26	46.90%
ROP 27	27.29%
ROP 26	10.97%
TD - Other Bank	9.27%
TD - Other Bank	5.58%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	-0.10%	0.09%	0.24%	-0.99%	1.05%
Benchmark****	0.41%	0.35%	0.27%	n.a.	n.a.

\*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**

**OUTLOOK AND STRATEGY.** Yields of ROPs and INDONs rose across the curve MoM as US Treasury yields increased following the surprise Fitch downgrade of the US credit rating from AAA to AA+ and the hawkish remarks from Fed Chair Powell during the Jackson Hole Symposium. Investors will likely focus on the upcoming Fed meeting in September to look for cues on the interest rate path ahead.

**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 S&P 500 INDEX FEEDER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the month ending 31 August 2023**
**FUND FACTS**

Classification:	Feeder Fund	Net Asset Value per Unit (NAVpU):	USD 157.9494
Launch Date:	April 23, 2020	Total Fund NAV:	USD 1.89 million
Minimum Initial Investment:	USD 500.00	Dealing Day:	Daily, up to 12 noon
Minimum Additional Investment:	USD 200.00	Redemption Settlement:	5 banking days from date of redemption
Minimum 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: 0.043132%	Custodianship Fee: 0.000000%	External Audit Fee: 0.054920%	Other Fees: 0.003318%
<b>EastWest Bank – Trust &amp; Asset Management Group</b>		<b>SGV</b>	

\*As a percentage of average daily NAV for the month valued at USD 1,860,656.90.

**INVESTMENT OBJECTIVE AND STRATEGY**

The fund is a US-Denominated Unit Investment Trust Fund that seeks to achieve investment returns that track the performance of the S&P 500 Index (SPX Index) by investing in diversified portfolio of stocks comprising the S&P 500 in the same weights as the index. It is ideal for investors with a long-term investment horizon who understand the investment risks involved when investing with equities. To invest in these securities, the fund has Eastwest Banking Corporation as Trustee.

**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 five (5) years through a managed portfolio of equity securities.

- ❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
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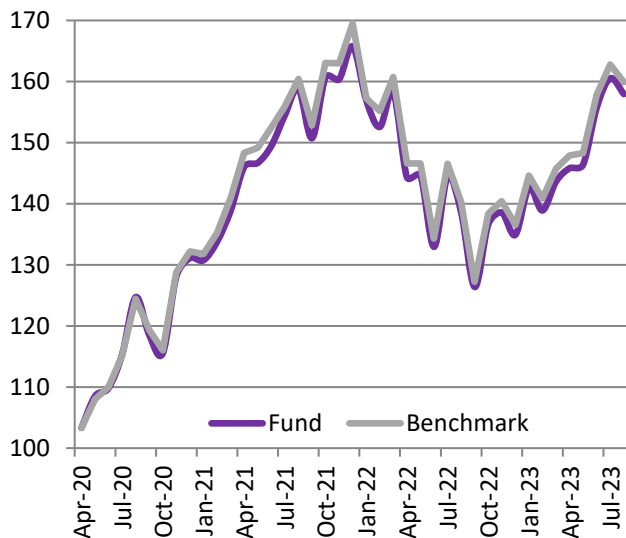
## KEY RISKS AND RISK MANAGEMENT

**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:
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## FUND PERFORMANCE AND STATISTICS AS OF 31 AUGUST 2023 (Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



NAVPU over the past 12 months

Highest	160.5200
Lowest	125.9627

Key Statistics

Volatility, Past 1 Year*	0.011095
Sharpe Ratio**	0.52
Information Ratio***	-0.0053

Top Ten Holdings (%)

Apple Inc	7.36%
Microsoft Corp	6.45%
Amazon.com, Inc.	3.26%
Nvidia Corp	3.23%
Alphabet Inc_ Class A	2.14%
Alphabet Inc_ Class C	1.86%
Tesla Inc.	1.84%
Meta Platforms Inc_Class A	1.73%
Berkshire Hathaway Inc_Class B	1.70%
Exxon Mobile Corp	1.19%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	-1.60%	17.08%	13.94%	26.65%
Benchmark	-1.77%	17.10%	13.97%	28.50%

\*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**

**OUTLOOK AND STRATEGY.** US stocks fell last month, with S&P 500 declining by 1.77% MoM, as yields on longer-term US Treasuries increased due to speculation that the Federal Reserve will interest rates higher for longer to curb inflation. The surprise downgrade on US debt by Fitch Ratings also contributed to the bond selloff. Positive economic data implied consumption remained robust despite the higher interest environment. Retail sales were stronger than expected, reflecting sustained consumer confidence as unemployment remained near its 50-year low. Unless there are new catalysts for the market, we expect equities to move sideways with a downward bias this month since September is historically the worst month for US stocks.

**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.