

KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT  
As of December 27, 2024

FUND FACTS

Classification:	Money Market Fund	Net Asset Value per Unit (NAVPu):	1.273890
Launch Date:	June 26, 2015	Total Fund Net Asset Value (NAV):	Php5,864.14 million
Minimum Investment:	Php5,000.00	Dealing Day:	Daily up to 12:00nn
Additional Investment:	At least Php1,000.00	Redemption Settlement:	Same day as the date of notification
Minimum Holding Period:	3 banking days	Early Redemption Fee:	1.00% of the proceeds

FEES<sup>1</sup>

Trustee Fees: 0.0117%	Custodianship Fees: None	External Auditor: 0.0001%	Other Fees: None
China Bank – Trust and Asset Management Group		SGV & Co.	

<sup>1</sup>As a percentage of average daily NAV for the month valued at Php5,848.96 million.

INVESTMENT OBJECTIVE AND STRATEGY

The Chinabank Cash Fund intends to achieve a high level of liquidity and better earnings potential than those offered by regular savings deposit accounts and money market placements by investing in a diversified portfolio of deposits with a weighted average portfolio modified duration of not more than one (1) year. The Fund aims to outperform its benchmark which is the Bloomberg Philippine Sovereign Bond Index Money Market (BPHILMM Index).

CLIENT SUITABILITY

A client profiling process shall 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. Before deciding to invest, clients are advised to read the Declaration of Trust, a copy of which is available at the Trustee's principal office.

The Chinabank Cash Fund is suitable only for investors who:

- have a conservative risk appetite;
- are looking for a cash parking facility offering acceptable returns; and
- have an investment horizon of one (1) year or less.

KEY RISKS AND RISK MANAGEMENT

The client should not invest in this Fund if the client does not understand or is not comfortable with the accompanying risks.

- **Interest Rate Risk.** This is the possibility for an investor to experience losses due to changes in interest rates. The purchase and sale of a debt instrument may result in profit or loss because the value of a debt instrument changes inversely with prevailing interest rates.
- **Liquidity Risk.** This is the possibility for an investor to experience losses due to the inability to sell or convert assets into cash immediately or in instances where conversion to cash is possible but at a loss. These may be caused by different reasons such as trading in securities with small or few outstanding issues, absence of buyers, limited buy/sell activity or underdeveloped capital market.
- **Credit/Default Risk.** This is the possibility for an investor to experience losses due to a borrower's failure to pay principal and/or interest in a timely manner on instruments such as bonds, loans or other forms of security which the borrower issued. It also includes risk on a counterparty (a party the Trustee trades with) defaulting on a contract to deliver its obligation either in cash or securities.
- **Reinvestment Risk.** This is the possibility for an investor to have lower returns or earnings when maturing funds or the interest earnings of funds are reinvested.

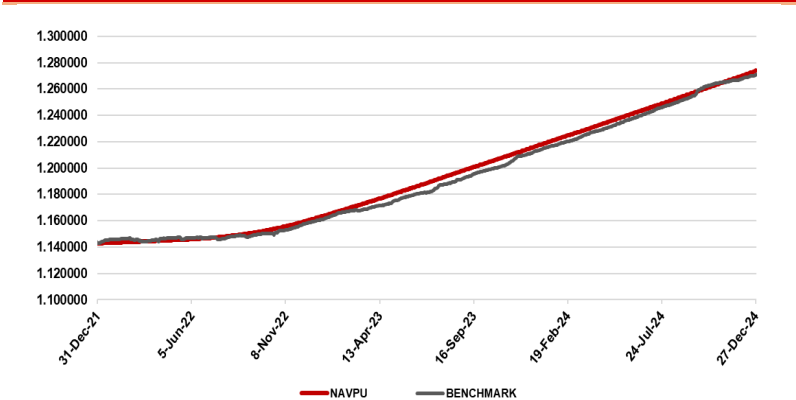
The Trustee only transacts with reputable counterparties and invests in debt securities issued by prime corporate borrowers which have undergone a rigorous accreditation and evaluation process. Regulatory exposure limits as well as the Fund's average duration are monitored regularly to ensure that exposures are managed. The Fund also undergoes an annual review to ensure that it is equipped to fund any redemption requirement in a timely manner and at a reasonable cost during times of financial stress.

- THE UITF IS A TRUST PRODUCT AND NOT A DEPOSIT ACCOUNT, AND IS NOT INSURED NOR GOVERNED BY THE PDIC.
- THE UITF IS NOT AN OBLIGATION OF, NOR GUARANTEED, NOR INSURED BY THE TRUST ENTITY OR ITS AFFILIATES OR SUBSIDIARIES.
- DUE TO THE NATURE OF THE INVESTMENTS OF A UITF, THE RETURNS/YIELDS CANNOT BE GUARANTEED. HISTORICAL PERFORMANCE, WHEN PRESENTED, IS PURELY FOR REFERENCE PURPOSES AND IS NOT A GUARANTEE OF SIMILAR FUTURE PERFORMANCE.
- ANY LOSSES AND INCOME ARISING FROM MARKET FLUCTUATIONS AND PRICE VOLATILITY OF THE SECURITIES HELD BY THE UITF, EVEN IF INVESTED IN GOVERNMENT SECURITIES, ARE FOR THE ACCOUNT OF THE CLIENT. AS SUCH, THE UNITS OF PARTICIPATION OF THE CLIENT IN THE UITF, WHEN REDEEMED, MAY BE WORTH MORE OR WORTH LESS THAN HIS/HER INITIAL INVESTMENT/CONTRIBUTION.
- THE TRUSTEE IS NOT LIABLE FOR LOSSES UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.
- THE INVESTOR MUST READ THE COMPLETE DETAILS OF THE FUND IN THE UITF'S PLAN, MAKE HIS/HER OWN RISK ASSESSMENT, AND WHEN NECESSARY, SEEK AN INDEPENDENT/PROFESSIONAL OPINION BEFORE MAKING AN INVESTMENT.

FUND PERFORMANCE AND STATISTICS AS OF DECEMBER 27, 2024

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

NAVPU GRAPH



NAVPU OVER THE PAST 12 MONTHS

Highest	1.273890
Lowest	1.216794

STATISTICS

Weighted Average Duration	0.00
Volatility, Past 1 year <sup>2</sup>	0.03%
Sharpe Ratio <sup>3</sup>	5.96
Information Ratio <sup>4</sup>	-0.42

<sup>2</sup>Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time. This is computed by getting the standard deviation of the yearly returns for the past 12 mos.

<sup>3</sup>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. This is computed by dividing the excess return of the fund against the risk-free rate over the fund's volatility.

<sup>4</sup>Information Ratio measures the reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk. This is computed by dividing the excess return of the fund against the benchmark over the fund's volatility.

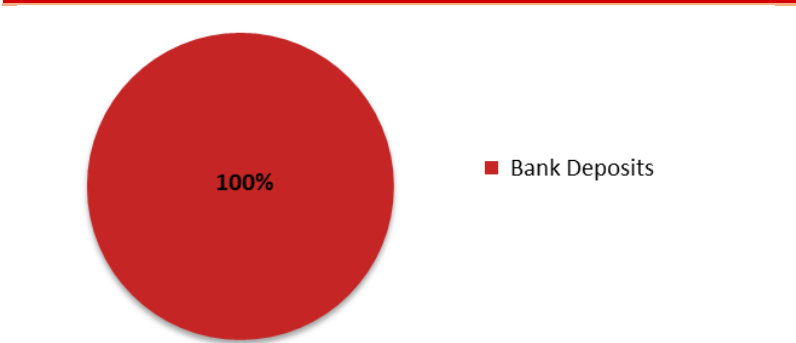
CUMULATIVE PERFORMANCE (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	0.36%	1.12%	2.33%	4.69%	11.46%
Benchmark	0.31%	0.81%	2.38%	4.80%	11.36%

The BPHILMM Index is a systematically designed, rules-based, market value-weighted index that measures the performance of short-term, fixed-rate and zero-coupon local currency securities that are publicly issued by the Philippines. It includes liquid money market instruments such as treasury bills with maturities of less than 1 year and minimum par amounts of Php3.0Bn. This Index is adjusted for tax by the Trustee, but does not reflect deductions for fees and expenses. Additional information on the benchmark and/or its administrator can be found on Bloomberg, and be made available to investors upon request.

The benchmark provides a reference for evaluating the performance of highly liquid, peso-denominated money market instruments with a similar investment horizon to the Fund.

PORTFOLIO COMPOSITION



OTHER DISCLOSURES

RELATED PARTY TRANSACTIONS

The Fund has deposits with the Bank Proper, amounting to Php762.99 million, which were approved by the Board of Directors/Trust Investment Committee. Likewise, all related parties transactions are conducted on an arm's length basis.

OUTLOOK AND STRATEGY

In December, the peso yield curve bear flattened amidst expectations of fewer rate cuts by the central bank. Yields across the curve rose by an average of 16 basis points (bps), with the short end underperforming. Rates in the short end climbed 31 bps on average, with a 17-bp increase in the 1-year rate to 6.1776%. The belly rose 13 bps, while the long end increased by 2 bps. Trading activity fell due to the holiday season, with total volume down 20.3% from November to Php777.014 billion. RTBs accounted for 33% of the month's volume at Php259.501 billion, followed by Bangko Sentral ng Pilipinas (BSP) bills at 25% or Php197.331 billion.

Inflation was a key driver of the rise in yields. November inflation accelerated to 2.5% from 2.3% in October, pushing year-to-date inflation to 3.2%, within the government's 2-4% target. Higher food and beverage prices following a series of typhoons contributed to the increase. Meanwhile, rice prices grew at a slower rate of 5.1% versus 9.1% in October. Core inflation, excluding volatile food and energy prices, also edged up to 2.5% from 2.4%. In light of the within target inflation, the Monetary Board (MB) cut the policy rate by 25 bps for a third consecutive meeting but emphasized a measured approach to easing,

given inflation risks. Moreover, the BSP revised its 2025 inflation forecast slightly higher to 3.4% and maintained its 2026 forecast at 3.7%.

In the local market, the Bureau of Treasury conducted auctions of Php45 billion in bills and Php15 billion in bonds in December. These auctions saw strong demand, with bid-to-cover ratios averaging 3.55x for bonds and 3.58x for bills. Yields for bills increased by 11 bps on average, while the 10-year bond fetched 5.89%, up 2 bps from the same tenor auction in October.

Looking ahead to January, market attention will center on inflation data and auctions of 3-, 5-, 7-, 10-, and 25-year securities. The MB is also set to meet in January, where market is currently pricing in a hold. In light of this, the Fund continues to be opportunistic in its acquisition of time deposits to maximize yield, at the same time managing liquidity given the objective of the Fund.

INVESTMENT POLICY / PROSPECTIVE INVESTMENTS

The Fund may be invested or reinvested in the following:

- a) Deposits with local banks, including those of the Trustee’s own bank;
- b) Deposits with foreign banks or their Philippine branches or any financial institution in any foreign country; and
- c) Such other tradable investment outlets/categories as the Bangko Sentral ng Pilipinas (BSP) may allow.

OTHER BASIC FUND FACTS

Trust Fee:	0.15% p.a.	Minimum Maintaining Amount:	Php5,000.00
Initial NAVPu:	P1.000000	Minimum Redemption Amount:	None. Partial redemptions shall be allowed provided that the amount redeemed will not result to a balance below the minimum maintaining amount..

IMPORTANT NOTICE

China Banking Corporation (Chinabank) may receive customer complaints, inquiries or any concern about its products and services through Customer Contact Center 24/7 Hotline: (+632) 8885-5888 or email: [online@chinabank.ph](mailto:online@chinabank.ph). Chinabank is regulated by the BSP with contact number (+632) 8708-7087 and email address: [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph).