

**EASTWEST BANKING CORPORATION**
**EASTWEST S&P 500 INDEX FEEDER FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**
**For the month ending 29 December 2023**
**FUND FACTS**

Classification:	Feeder Fund	Net Asset Value per Unit (NAVpU):	USD 166.9679
Launch Date:	April 23, 2020	Total Fund NAV:	USD 1.812 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: 0.043253%	Custodianship Fee: 0.000000%	External Audit Fee: 0.078042%	Other Fees: 0.004861%
<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 1,869,322.71.

**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.

**KEY RISKS AND RISK MANAGEMENT**

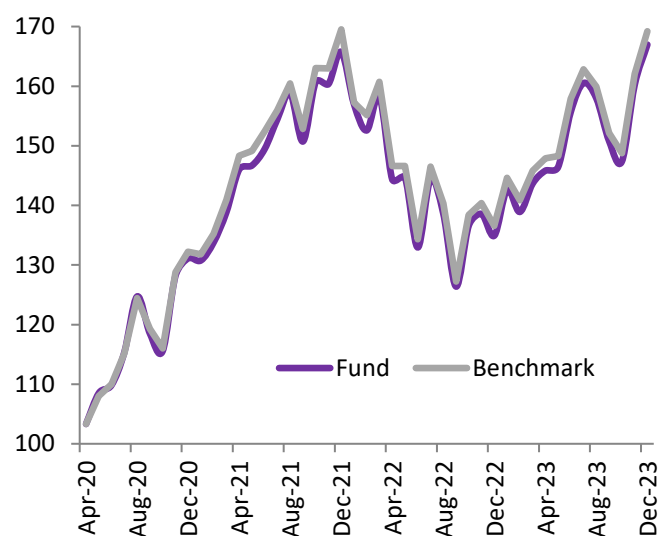
❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
❖ THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY.
❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT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

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

NAVPU Graph



NAVPU over the past 12 months

Highest	167.4201
Lowest	133.6118

Key Statistics

Volatility, Past 1 Year*	0.008406
Sharpe Ratio**	1.31
Information Ratio***	-0.0172

Top Ten Holdings (%)

Apple Inc	7.01%
Microsoft Corp	6.96%
Amazon.com, Inc.	3.44%
Nvidia Corp	3.05%
Alphabet Inc_ Class A	2.06%
Meta Platforms Inc_Class A	1.96%
Alphabet Inc_ Class C	1.75%
Tesla Inc	1.71%
Berkshire Hathaway Inc_Class B	1.62%
JPMorgan Chase & Co	1.22%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	4.25%	23.76%	23.76%	27.35%
Benchmark	4.42%	23.91%	23.91%	27.98%

\*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 equities rallied and emerging market bond yields declined MoM in December, tracking the movement in US Treasuries. The anticipation of Fed policy rate cuts next year boosted buying activity in stocks and EM bonds, with the optimism supported by comments from Fed Chair Jerome Powell on the likely end of the monetary policy tightening cycle. As of end-December, traders priced in an 84% probability of a rate cut as early as March 2024. The rally in US stocks will likely be more broad-based should interest rates go down sooner rather than later.

**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.

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

For the month ending 29 December 2023

**FUND FACTS**

Classification:	PSEi Tracker Fund	Net Asset Value per Unit (NAVpU):	Php 96.0607
Launch Date:	December 1, 2015	Total Fund NAV:	Php 7.887 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: 0.064491% <b>EastWest Bank - Trust &amp; Asset Management Group</b>	Custodianship Fee: 0.031633% <b>HSBC</b>	External Audit Fee: 0.000641% <b>SGV</b>	Other Fees: 0.000246%
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\*As a percentage of average daily NAV for the month valued at Php 7,774,625,909.20.

**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**

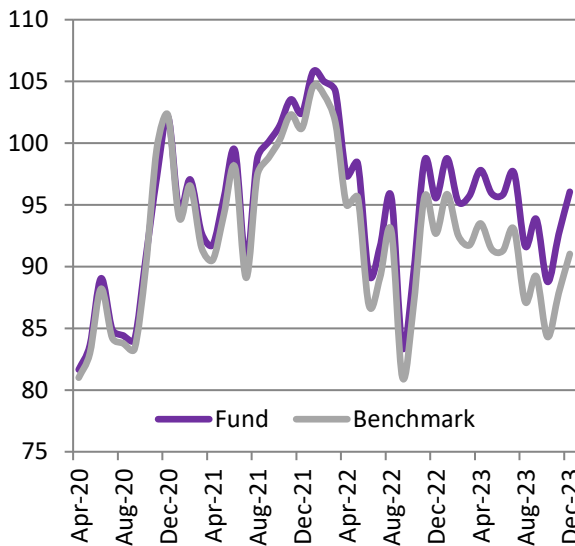
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- ❖ THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- ❖ THE RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS / FLUCTUATIONS ONLY.
- ❖ WHEN REDEEMING, THE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

- Investors may not get back the value of their original investment upon redemption.
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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.
  - 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 29 DECEMBER 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	88.6027

Key Statistics

Volatility, Past 1 Year*	0.009035
Sharpe Ratio**	-0.42
Tracking Error***	0.0006

Top Ten Holdings (%)

SM Investments Corp	14.3%
SM Prime Holdings Inc	9.9%
BDO Unibank Inc	8.5%
Bank of the Philippine Islands	7.3%
Int'l. Container Terminal Services Inc.	7.2%
Ayala Land	6.9%
Ayala Corp	6.0%
Jollibee Foods Corp	3.6%
Aboitiz Equity Ventures	3.3%
Manila Electric Company	3.3%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	3.73%	0.54%	0.54%	-5.94%
Benchmark	3.64%	-1.77%	-1.77%	-9.66%

\*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 stocks posted gains for the second consecutive month in December as inflation continued to trend lower, with November inflation beating the consensus forecast (4.1% vs 4.3%). The PSEi Total Return Index has gained 8.39% since the market bottomed out at the end of October as investors turned bullish after the Federal Reserve and the Bangko Sentral ng Pilipinas both kept their respective benchmark rates steady in December. While the PSEi narrowly missed our yearend forecast of 6,590, we expect the local bellwether's late rally to carry over into the new year on expectations that central banks would cut interest rates sooner rather than later.

**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 29 December 2023

**FUND FACTS**

Classification:	Equity Feeder Fund	Net Asset Value per Unit (NAVpU)	Php 897.1883
Launch Date:	October 29, 2014	Total Fund NAV:	Php 244.903 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: 0.086052%	Custodianship Fee: 0.000000%	External Audit Fee: 0.020570%	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 243,080,835.09.

**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**

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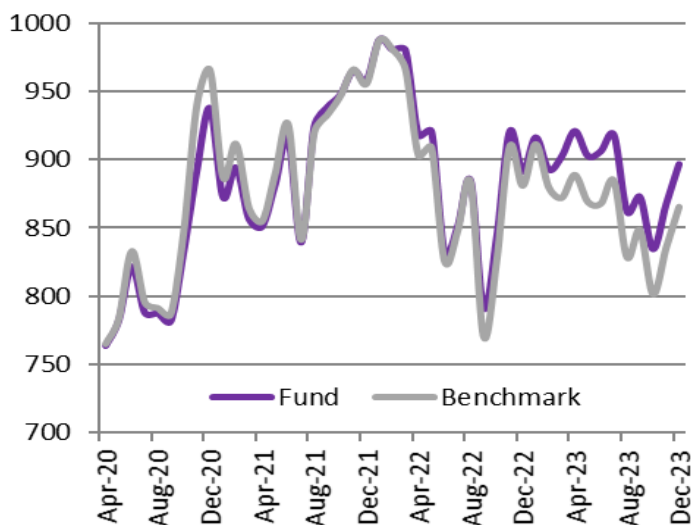
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- ❖ WHEN REDEEMING, THE PROCEEDS MAY BE WORTH LESS THAN THE ORIGINAL INVESTMENT AND ANY LOSSES WILL BE SOLELY FOR THE ACCOUNT OF THE CLIENT.
- ❖ THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.



- 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 29 DECEMBER 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	833.7016

Key Statistics

Volatility, Past 1 Year*	0.008353
Sharpe Ratio**	-0.45
Information Ratio***	1.01

Portfolio Composition (%)

PhilEquity Fund	100.00
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PhilEquity Fund Top Ten Holdings (%)

SM Investments Corporation	13.8%
SM Prime Holdings, Inc	9.1%
BDO Unibank, Inc	8.2%
Int'l. Container Terminal Services Inc.	7.6%
Bank of the Philippine Islands	6.9%
Ayala Land Inc	6.0%
Universal Robina Corporation	5.4%
Jollibee Foods Corp	4.4%
Ayala Corporation	3.8%
PLDT Inc	3.6%

Cumulative Return

	1Mo	YTD	1Yr	3Yr
Fund	3.43%	0.63%	0.63%	-4.37%
Benchmark	3.64%	-1.77%	-1.77%	-9.66%

\*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 East West Banking Corporation common shares.

**OUTLOOK AND STRATEGY** Local stocks posted gains for the second consecutive month in December as inflation continued to trend lower, with November inflation beating the consensus forecast (4.1% vs 4.3%). The PSEi Total Return Index has gained 8.39% since the market bottomed out at the end of October as investors turned bullish after the Federal Reserve and the Bangko Sentral ng Pilipinas both kept their respective benchmark rates steady in December. While the PSEi narrowly missed our yearend forecast of 6,590, we expect the local bellwether's late rally to carry over into the new year on expectations that central banks would cut interest rates sooner rather than later.

**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 PESO MONEY MARKET FUND  
 KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT**

For the month ending 29 December 2023

**FUND FACTS**

Classification:	Peso Money Market	Net Asset Value per Unit (NAVPU):	₱119.7585
Launch Date:	1 June 2016	Total Fund NAV:	₱294.479 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: 0.021532% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.029277% <b>LAND BANK</b>	External Audit Fee: 0.016757% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at Php 295,113,433.35.

**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.

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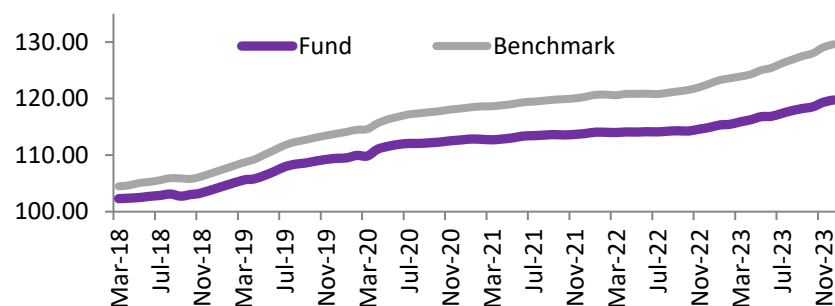
- Reinvestment risk – Potential or actual losses from reinvesting interest earnings at a rate lower than the original investment.

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

NAVPU Graph



NAVPU over the past 12 months

Highest	119.7716
Lowest	114.8686
<b>Key Statistics</b>	
Weighted Ave. Duration	0.42
Volatility, Past 1 Year*	0.0004272
Sharpe Ratio**	-3.51
Information Ratio***	-2.29

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	0.35%	4.24%	4.24%	2.05%	3.00%
Benchmark****	0.43%	5.71%	5.71%	3.11%	3.99%

Top Five Holdings (%)

RTB 03-11	38.29%
TBILL 08/07/24	14.55%
TBILL 06/19/24	14.29%
FXTN 5-76	5.04%
TD - Own Bank	4.84%

\*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 P13.53 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 yields ended lower on average MoM in December as buying activity continued amid slower than expected local inflation print at 4.1% YoY versus consensus of 4.3%. The latest data allowed the BSP to keep policy rates unchanged at 6.5% at its meeting this month but warned against upside risks to inflation. It forecasts December inflation to settle within the range of 3.6% to 4.4%, citing potential price pressures on rice and meat. The last scheduled auction on T-bills and bonds in December was cancelled as the BTr completed its domestic funding requirements for the year. With 84% probability of a cut in Fed policy rate as early as March 2024 and the expectation for the BSP to follow suit, we expect buying interest to continue, especially on the belly to the long-end of the curve.

**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 29 December 2023

**FUND FACTS**

Classification:	Peso Bond Fund	Net Asset Value per Unit (NAVPU):	₱2,191.0076
Launch Date:	18 February 2005	Total Fund NAV:	₱103.084 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: 0.086146% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.022349% <b>LAND BANK</b>	External Audit Fee: 0.048490% <b>SGV</b>	Other Fees: 0.000000
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\*As a percentage of average daily NAV for the month valued at Php 103,114,628.38.

**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**

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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**

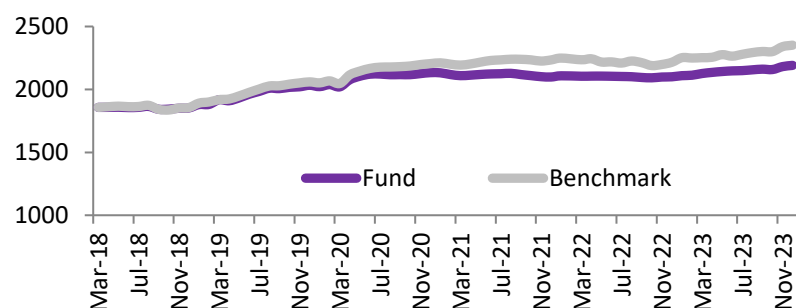
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

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 29 DECEMBER 2023 (Purely for reference purposes and is not a guarantee of future results)

NAVPU Graph



NAVPU over the past 12 months

Highest	2,191.9147
Lowest	2,100.3184

### Key Statistics

Weighted Ave. Duration	1.78
Volatility, Past 1 Year*	0.000870
Sharpe Ratio**	-1.66
Information Ratio***	-1.18

### Top Five Holdings (%)

RTB 5-13	28.04%
FXTN 07-62	13.71%
FXTN 10-60	12.28%
FXTN 7-68	10.66%
FDC 24 R21	8.77%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	0.45%	4.32%	4.32%	0.90%	3.41%
Benchmark****	0.49%	6.13%	6.13%	2.17%	1.29%

\*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 P9.0 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 yields ended lower on average MoM in December as buying activity continued amid slower than expected local inflation print at 4.1% YoY versus consensus of 4.3%. The latest data allowed the BSP to keep policy rates unchanged at 6.5% at its meeting this month but warned against upside risks to inflation. It forecasts December inflation to settle within the range of 3.6% to 4.4%, citing potential price pressures on rice and meat. The last scheduled auction on T-bills and bonds in December was cancelled as the BTr completed its domestic funding requirements for the year. With 84% probability of a cut in Fed policy rate as early as March 2024 and the expectation for the BSP to follow suit, we expect buying interest to continue, especially on the belly to the long-end of the curve.

**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 29 December 2023

**FUND FACTS**

Classification:	Peso Bond Fund	Net Asset Value per Unit (NAVPU):	₱ 1,631.8237
Launch Date:	1 March 2007	Total Fund NAV:	₱137.988 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: 0.086165% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.021425% <b>LAND BANK</b>	External Audit Fee: 0.036350% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at Php 137,185,353.98

**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.

- ❖ **THE UIT FUND IS NOT A DEPOSIT AND IS NOT INSURED BY THE PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC)**
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- ❖ **THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE**



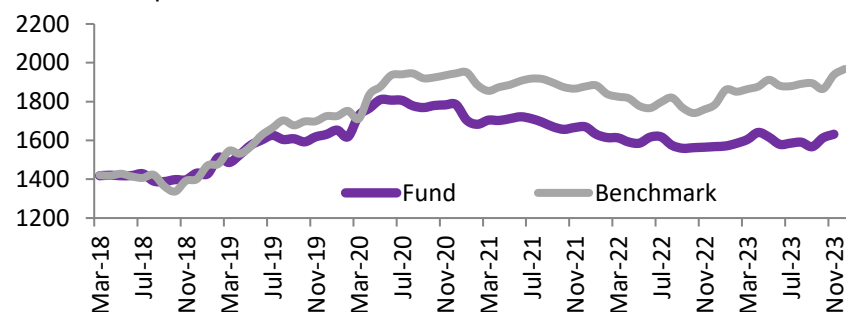
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt securities.

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 29 DECEMBER 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	1,563.7880

### Key Statistics

Weighted Ave. Duration	4.42
Volatility, Past 1 Year*	0.002197
Sharpe Ratio**	-0.73
Information Ratio***	-2.35

### Top Five Holdings (%)

RTB 05-17	19.77%
FXTN 25-07	11.71%
FXTN 20-25	10.51%
TD - Own Bank	8.74%
TD - Other Bank	8.14%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	1.16%	4.27%	4.27%	-2.91%	3.15%
Benchmark****	1.56%	10.23%	10.23%	0.38%	7.03%

\*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 P3.00 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 yields ended lower on average MoM in December as buying activity continued amid slower than expected local inflation print at 4.1% YoY versus consensus of 4.3%. The latest data allowed the BSP to keep policy rates unchanged at 6.5% at its meeting this month but warned against upside risks to inflation. It forecasts December inflation to settle within the range of 3.6% to 4.4%, citing potential price pressures on rice and meat. The last scheduled auction on T-bills and bonds in December was cancelled as the BTr completed its domestic funding requirements for the year. With 84% probability of a cut in Fed policy rate as early as March 2024 and the expectation for the BSP to follow suit, we expect buying interest to continue, especially on the belly to the long-end of the curve.

**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 Bank – Trust and Asset Management Group, 3F EastWest Corporate Center, 5<sup>th</sup> Avenue corner 23<sup>rd</sup> St., Bonifacio Global City, Taguig City | 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.



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

For the month ending 29 December 2023

**FUND FACTS**

Classification:	US Dollar Bond Fund	Net Asset Value per Unit (NAVPU):	USD 143.1639
Launch Date:	18 March 2005	Total Fund NAV:	USD 1.82 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: 0.043053% <b>EastWest Bank – TAMG</b>	Custodianship Fee: 0.015956% <b>LAND BANK</b>	External Audit Fee: 0.055424% <b>SGV</b>	Other Fees: 0.000000%
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\*As a percentage of average daily NAV for the month valued at USD 1,804,442.40

**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:
  - Market risk – Potential or actual losses arising from adverse changes in market prices of securities.

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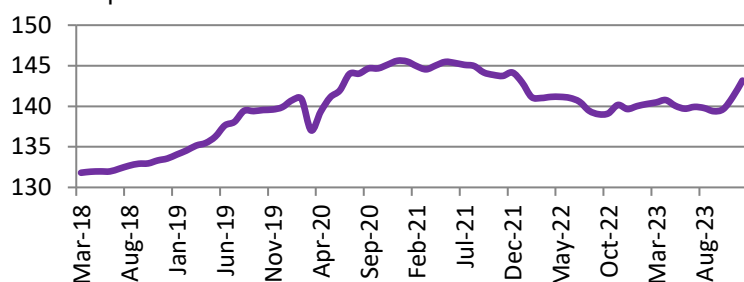
- Liquidity risk – Potential or actual losses arising from the Fund’s inability to convert its assets into cash immediately at minimal cost.
- Credit risk – Potential or actual losses arising from inability of borrower to pay principal and/or interest in a timely manner on loans, bonds and other debt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

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**FUND PERFORMANCE AND STATISTICS AS OF 29 DECEMBER 2023**  
**(Purely for reference purposes and is not a guarantee of future results)**

NAVPU Graph



NAVPU over the past 12 months

Highest	141.1692
Lowest	138.9682

Key Statistics

Weighted Ave. Duration	3.02
Volatility, Past 1 Year*	0.00104
Sharpe Ratio**	-0.03
Information Ratio***	-0.07

Top Five Holdings (%)

RDB 5.5-01	31.03%
ROP 27	28.25%
INDON 26	20.67%

	Cumulative Return			Annualized Return	
	1Mo	YTD	1Yr	3Yrs	5Yrs
Fund	1.41%	2.51%	2.51%	-0.56%	1.40%
Benchmark****	1.56%	2.01%	2.01%	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.** EM bond yields declined MoM in December, tracking movement in US Treasuries. Anticipation of Fed policy rate cuts next year boosted buying activity in EM bonds last month. The optimism was supported by comments from Fed Chair Powell on the likely end of the monetary policy tightening cycle. As of end-December, traders priced in 84% probability of a rate cut as early as March next year. We expect buying momentum to continue as investors lock in yields before the next Fed policy meeting.

**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.