

# Unit Investment Trust Funds

## METRO MULTI-THEMED EQUITY FUND OF FUNDS KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended November 29, 2022

### FUND FACTS

<b>Classification:</b>	Equity Fund-of-Funds	<b>Net Asset Value per Unit (NAVPU):</b>	0.659808
<b>Launch Date:</b>	August 16, 2021	<b>Total Fund NAV (in Php Mns):</b>	609.34
<b>Trust Fee (per annum):</b>	1.50% based on NAV	<b>Dealing Day:</b>	12NN, any banking day
<b>Minimum Investment:</b>	Php10,000	<b>Redemption Settlement:</b>	6 Banking Day after date of redemption
<b>Additional Investment:</b>	Php1,000	<b>Early Redemption Charge:</b>	50% of income on redeemed amount
<b>Minimum Holding Period:</b>	7 calendar days from date of participation		

### COOLING-OFF PERIOD

Pursuant to BSP Circular No. 857, the TRUSTOR (individual participants) shall have the right to cancel their initial subscriptions or contributions, without penalty, upon written notice to the Trustee within two (2) banking days immediately following the signing of agreement or contract evidencing their participation in the Fund. Further, the net amount of payment or delivery due the TRUSTOR shall be based on the transaction day's NAVPU when notice of redemption, termination or cancellation was received.

### FEES COLLECTED FOR THE MONTH<sup>1</sup>

Trustee Fees:	Custodianship Fees:	External Auditor Fees:	Other Fees:
<b>0.125%</b>	<b>0.000%</b>	<b>0.000%</b>	<b>0.000%</b>
<i>Metrobank-Trust Banking Group</i>	<i>Allfunds</i>	<i>SGV &amp; Co.</i>	<i>Others</i>

<sup>1</sup>As a percentage of average daily NAV for the month valued at (in Php Mns): **622.15**

### INVESTMENT OBJECTIVE AND STRATEGY

The Investor Fund intends to achieve for its participants long-term capital growth by investing in a diversified portfolio of US Dollar-denominated collective investment schemes. The Investor Fund will have more than one (1) Target Funds at any given time. The Target Funds may be changed from time-to-time subject to regulations and the stipulations contained in the Declaration of Trust. The Fund's benchmark is the MSCI ACWI Net Total Return USD Index.

### CLIENT SUITABILITY

A client profiling process is 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 encouraged to update the resulting profile every three (3) years or if there's any change in his/her personal/financial circumstances. Before deciding to invest, clients are advised to read the Declaration of Trust/Plan Rules of the Fund, which may be obtained from the Trustee, or seek an independent/professional opinion when necessary.

### The METRO MULTI-THEMED EQUITY FUND OF FUNDS is suitable only for investors who:

- Have an Aggressive profile.
- Want capital appreciation over the long-term by investing in more than one Target Funds at any given time.
- Recommended investment horizon is at least five (5) years
- Participation in the Investor Fund shall be open to Filipino individuals, resident and non-resident aliens and domestic corporate accounts. However, persons from United States of America (USA), Canada, India, and People's Republic of China are not qualified to open an account.

### KEY RISKS AND RISK MANAGEMENT

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

<b>Market/Price Risk:</b>	The possibility for an investor to experience losses due to changes in the market prices of stocks/equities. It refers to the portfolio's exposure to marked-to-market valuation due to market price fluctuations of the stocks/equities.
<b>Liquidity Risk:</b>	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 price that could result in a loss. This may be caused by low trading volume due to different reasons such as securities with small or few outstanding issues, absence of buyers and/or sellers (limited buy/sell activity) or underdeveloped capital market.
<b>Credit Risk / Default Risk:</b>	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 fixed income security which the borrower issued. This inability of the borrower or counterparty to make good on its financial obligations may have resulted from adverse changes in its financial condition thus, lowering credit quality of the security, and consequently lowering the price (market/price risk) which contributes to the difficulty in selling such security.
<b>Foreign Exchange Risk:</b>	The value of investments may be affected by fluctuations in the exchange rates of securities in a different currency other than the base currency of the Investor Fund. The Participants should note that the Fund is denominated in Philippine Peso and will be invested in a US dollar denominated share class of the Target Fund. The foreign currency position of the Investor will not be hedged.
<b>Country Risk:</b>	The possibility for an investor to experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of these countries. There are risks in foreign investments due to the possible internal and external conflicts, currency devaluations, foreign ownership limitations and tax increases of the foreign country involved which are difficult to predict but must be taken into account in making such investments.
<b>Other Risks:</b>	Your participation in the UITFs may be further exposed to the risk of any actual or potential conflicts of interest in the handling of in-house or related party transactions by Metrobank. These transactions may include own-bank deposits; purchase of own-institution or affiliate obligations (stocks, mortgages); purchase of assets from or sales to own institution, directors, officers, subsidiaries, affiliates or other related interests/parties; or purchases or sales between fiduciary/managed accounts.
<b>Investing in Other Funds:</b>	The fund bears all risks of investment strategies employed by the underlying funds, including the risk that the underlying funds will not meet their investment objectives.

The Fund invests only in high-credit quality assets which are evaluated using a rigorous internal scoring model required under the Trustee's accreditation process and BSP regulations. Internal risk limits and position limits together with regulatory exposure limits are monitored, reviewed and strictly adhered to on a daily basis. The Fund may also use financial derivatives solely for hedging risk exposures.

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

RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENTS/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.

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For other details, you may visit our website at [www.metrobank.com.ph](http://www.metrobank.com.ph) or contact us at 8-8700-700 or email us at [customercare@metrobank.com.ph](mailto:customercare@metrobank.com.ph)

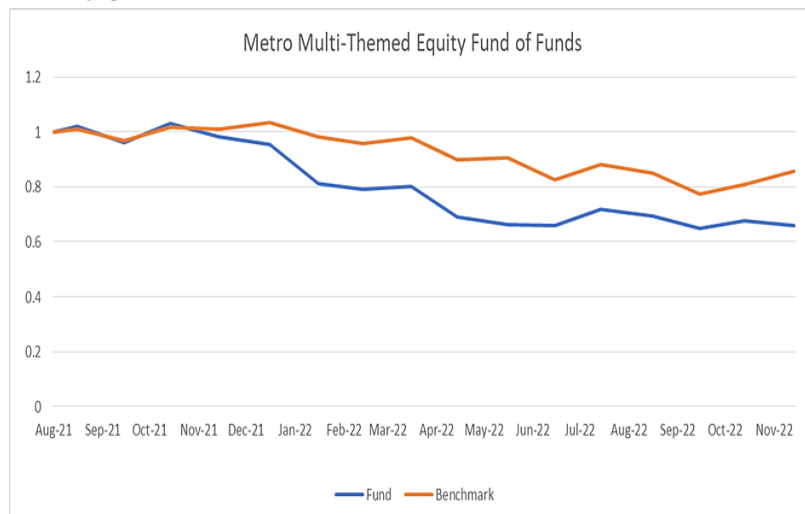


# Unit Investment Trust Funds

## FUND PERFORMANCE AND STATISTICS as of November 29, 2022

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

### NAVPu GRAPH



### NAVPu OVER THE PAST 12 MONTHS

Highest	0.982677
Lowest	0.597976

### STATISTICS OF THE TARGET FUND

Volatility, Past 1 Year (in %) <sup>2</sup>	23.97%
Sharpe Ratio <sup>3</sup>	-1.44
Information Ratio <sup>4</sup>	-1.06

<sup>2</sup> Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time. The lower the number, the more stable the Fund's return is relative to its average return over time.

<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.

<sup>4</sup> Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.

### CUMULATIVE PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
<b>Fund</b>	-2.261%	-4.667%	-0.181%	-32.856%	N/A	N/A	-34.019%
<b>Benchmark</b>	5.021%	1.134%	-4.571%	-14.921%	N/A	N/A	-14.193%

### PORTFOLIO COMPOSITION

Allocation	% of Fund
Target Funds	93.61%
Time Deposits	6.73%
Cash	-0.06%
Other Receivables - Net of Liabilities <sup>5</sup>	-0.28%

<sup>5</sup> Includes accrued income from investments, receivables from brokers/counterparties and unpaid expenses.

### TOP 10 HOLDINGS

Name	% of Fund
1. Microsoft Corp	5.42%
2. NVIDIA Corp	4.56%
3. Visa Inc	4.24%
4. Dexcom Inc	3.97%
5. Apple Inc	3.24%
6. Fair Isaac	2.96%
7. Mettler Toledo International	2.80%
8. Amazon.com Inc	2.60%
9. Thermo Fisher Scientific	2.57%
10. IDEXX Laboratories	2.57%

### RELATED PARTY TRANSACTIONS

Related Party	Transaction	Market Value (in USD Mns)
MBTC	Time Deposit Placement	41.01

Investments in the said outlets were approved by the Trust Committee. Likewise, all related party transactions are conducted on an arm's length and best execution basis and within established limits.

### INVESTMENT POLICY

A. The Investor Fund may be invested and reinvested in the following instruments:

- USD-denominated units/shares in more than one collective investment schemes subject to the conditions under BSP Circular 767
- USD-denominated money market instruments
- USD/PHP-denominated deposits
- Other USD-denominated Investments allowed under BSP regulations

B. The Target Fund may be invested and reinvested in the following instruments:

- Global-denominated Investments allowed under regulations issued by the Bangko Sentral Ng Pilipinas;
- Global-denominated Exchange-listed securities;
- Global-denominated deposits with local banks/foreign banks
- Financial derivative instruments for hedging purposes and efficient portfolio management.

C. The Investor Fund may invest a minimum of 90% of its net asset value in more than one (1) Target Fund and a maximum of 10% in cash, deposits and other money market instruments



For other details, you may visit our website at [www.metrobank.com.ph](http://www.metrobank.com.ph) or contact us at 8-8700-700 or email us at [customercare@metrobank.com.ph](mailto:customercare@metrobank.com.ph)



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## TARGET FUNDS

Name	Fund Manager	Target Fund Objective
1. Credit Suisse (LUX) Digital Health Equity Fund (USD)	Credit Suisse Fund Management S.A.  <a href="http://www.credit-suisse.com">www.credit-suisse.com</a>	This fund invests globally in innovative companies which are driving a revolution in the health care sector through the application of technology. The investment universe comprises three segments: Research & Development, Treatments and Efficiency. The investment objective is long-term capital appreciation from actively managed exposure to this secular growth theme.
2. Credit Suisse (LUX) Security Equity Fund (USD)	Credit Suisse Fund Management S.A.  <a href="http://www.credit-suisse.com">www.credit-suisse.com</a>	The fund assets are invested worldwide in companies that are primarily active in Technology, Healthcare and Industrials, and that offer products and services related to health prevention/protection and environmental safety, IT security, transportation safety, and crime prevention.
3. Nikko AM Ark Disruptive Innovation Fund (USD)	Nikko Asset Management Luxembourg, S.A  <a href="http://www.nikkoam.com.sg">www.nikkoam.com.sg</a>	The Fund will invest, under normal market conditions, primarily in global equity securities of companies that are relevant to the investment theme of disruptive innovation - defined as the introduction of a technologically enabled new product or service that potentially changes the way the world works, such as: Genomic Revolution Companies - the study of genes and their functions and related techniques Industrial Innovation Companies - in energy, automation and manufacturing Web x.0 Companies - the increased use of shared technology, infrastructure and services FinTech Innovation Companies - technologies that make financial services more efficient.
4. Franklin Technology Fund (USD)	Franklin Advisers Inc.  <a href="http://www.franklintempleton.lu">www.franklintempleton.lu</a>	The Fund aims to achieve capital appreciation by investing at least two-thirds of its assets in equity securities of companies expected to benefit from the development, advancement and use of technology.
5. Robeco Global Consumer Trends F USD	Robeco Institutional Asset Management B.V.  <a href="http://www.robeco.com.be">www.robeco.com.be</a>	The aim of the Sub-fund is to provide long term capital growth while at the same time promoting certain ESG (i.e. Environmental, Social and corporate Governance) characteristics and integrating sustainability risks in the investment process.

## OUTLOOK AND STRATEGY

The fund lost 2.27% in November, underperforming MSCI All Country World which grew by 5.02%.

The FED would see the “weaker” economy and pull back on its interest rate increases as the S&P 500 was up 5.38% for November and up 14.06% from the Oct. 12, 2022 low. The S&P 500 gained 5.38% in November, following a strong 7.9% recovery in October as investors got the first glimpse of a slowing inflation which could give the FED some breathing space in its rate-tightening initiatives. The S&P 500 was down 14.39% YTD (after a 2022 opening day high) and inflows again picked up even as US equities underperformed in November: US equities were up 5.08% compared with the global non-US equities, which were up 11.12%. Furthermore, the three-year US return was up 27.71% and the global non-U.S. return was down 1.53%.

US inflation was lower at 7.1% in November, after falling to 7.7% the previous month, amid a broad-based slowdown in consumer prices that have been rising their fastest rate in decades. Prices had increased by 7.1% compared to November 2021 according to the 12-month percentage of change in the consumer price index, and down from 7.7% in October. While still well above the FED’s 2% target for a healthy inflation level, was tied for the lowest since November 2021. Economists expected a 7.3% annual increase. Core CPI rose 0.2% in November, after a 0.3% reading in October – down significantly in September and August. The CPI report comes the same day the rate-setting Federal Open Market Committee (FOMC) begin its two-day meeting. Markets widely expect the FOMC to announce a 50bps rate increase, regardless of the CPI reading. Still among the aggravating circumstances were a supply and demand imbalance brought on by the pandemic, Russia’s invasion of Ukraine and impact on energy prices, and trillions of dollars in fiscal and monetary stimulus that sent an abundance of money chasing too few goods that were caught up in supply chain problems. Inflation has moderated from its recent 9.1% peak in June this year but is still higher than any point since the early 1980s. After spending months dismissing the inflation surge as “transitory”, FED officials began raising interest rates in March. The central bank has boosted its short-term borrowing rate six times in all, pushing the benchmark up to a targeted range of 3.75% - 4.0%.

November was USD’s worst month since 2010 as hawkish FED expectations began to slip. The USD extended declines after posting one-month drop since 2009. US real interest rates have also started to moderate while some key commodity prices have risen slightly, negative factors for the dollar’s value. Over the past month, pension funds, insurance companies and other institutional investors have amassed their largest net short position on the greenback in nearly a year and a half, based on data from the US Commodity Futures Trading Commission. Moves by such large and typically long-term investors to lean against the greenback have helped push down the Bloomberg Dollar Index by 4.8% in November, a scale of decline last seen more than a decade ago. Early signs that US inflation has peaked intensity will prompt the FED to slow the pace of rate hikes, they argue, which in turn could remove a key source of recent greenback strength. With the Dollar weakening, the Peso strengthened as it closed the month at 56.56, versus its 57.97 close last October. This was also brought about by the commitment of the BSP to align itself with the FED rate-hiking moves, deploy part of the USD reserves to cushion the peso’s fall and some lift from the expected seasonal surge in OFW remittances in preparation for the holidays.

Nikko AM Ark Disruptive Innovation Fund still remains the biggest laggard for the fund as it lost -9.69% for the month while the Robeco Capital Growth Funds was the biggest winner for the fund gaining 4.64% for the month.

We are maintaining our defensive stance amidst the still volatile conditions primarily retain our cash levels.

## IMPORTANT NOTICE

Metropolitan Bank and Trust Company is regulated by the Bangko Sentral ng Pilipinas (BSP). For any inquiries and complaints relating to Trust Products and Services you may (1) call our hotline: 8-8700-700 (Mondays-Fridays from 9:00am to 6:00pm); (2) send an email to [customercare@metrobank.com.ph](mailto:customercare@metrobank.com.ph); or (3) visit our website at <https://www.metrobank.com.ph/invest/uitf> to know more. You may also file complaints at BSP Financial Consumer Protection Department at (632) 8708-7087 or [consumeraffairs@bsp.gov.ph](mailto:consumeraffairs@bsp.gov.ph). To know your rights under BSP Circular No. 857 (Regulations on Financial Consumer Protection), please access a copy at the BSP website ([www.bsp.gov.ph](http://www.bsp.gov.ph)).



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