

Unit Investment Trust Funds

METROBANK PERA MONEY MARKET FUND KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended October 31, 2023

FUND FACTS

Classification:	Money Market	Net Asset Value per Unit (NAVPU):	1.034608
Launch Date:	October 1, 2020	Total Fund NAV (in Php Mns):	2.74
Trust Fee (per annum):	0.50% based on NAV	Dealing Day:	12NN, any banking day
Minimum Investment:	Php5,000	Redemption Settlement:	1 Banking Day after date of redemption
Additional Investment:	Php5,000	Early Redemption Charge:	50% of income on redeemed amount
Minimum Holding Period:	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 MONTH¹

Trustee Fees:	Custodianship Fees:	External Auditor Fees:	Other Fees:
0.043%	0.009%	0.001%	0.000%
<i>Metrobank-Trust Banking Group</i>	<i>Standard Chartered Bank</i>	<i>SGV & Co.</i>	<i>Others</i>

¹ As a percentage of average daily NAV for the month valued at (in Php Mns): **2.72**

INVESTMENT OBJECTIVE AND STRATEGY

The Fund intends to achieve for its PERA participants liquidity and income that is slightly higher than regular time deposit products by investing in a diversified portfolio of peso-denominated money market instruments and fixed income securities which are tax-exempt in accordance with the PERA Law, and shall have a maximum weighted average duration of one year. The Fund's composite benchmark is composed of average rate of the most recent 91-day Philippine Treasury Bill auction, net of taxes.

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 METROBANK PERA MONEY MARKET FUND is suitable only for investors who:

- Have a Moderate profile.
- Want liquidity but are willing to take on minimal volatility in exchange for slightly better returns than regular time deposit products.
- Recommended investment horizon is at least six (6) months
- Filipino individuals with legal capacity to contract and possesses a Tax Identification Number (TIN)

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.

Interest Rate Risk:	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.
Market/Price Risk:	The possibility for an investor to experience losses due to changes in the market prices of bonds. It refers to the portfolio's exposure to marked-to-market valuation due to market price fluctuations of the bonds.
Liquidity Risk:	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.
Credit Risk / Default Risk:	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.
Reinvestment Risk:	The possibility of having lower returns or earnings when funds mature and are reinvested. Investors in the UITF who redeem and realize their gains run the risk of reinvesting their funds in an alternative investment outlet with lower yields. Similarly, the UIT fund manager is faced with the risk of not being able to find better yielding alternative investment outlets as some of the securities in the fund matures.
Other Risks:	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.

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.

THE TRUSTEE IS NOT LIABLE FOR ANY LOSS UNLESS UPON WILLFUL DEFAULT, BAD FAITH OR GROSS NEGLIGENCE.



For other details, you may visit our website at www.metrobank.com.ph or contact us at 8-8700-700 or email us at customercare@metrobank.com.ph

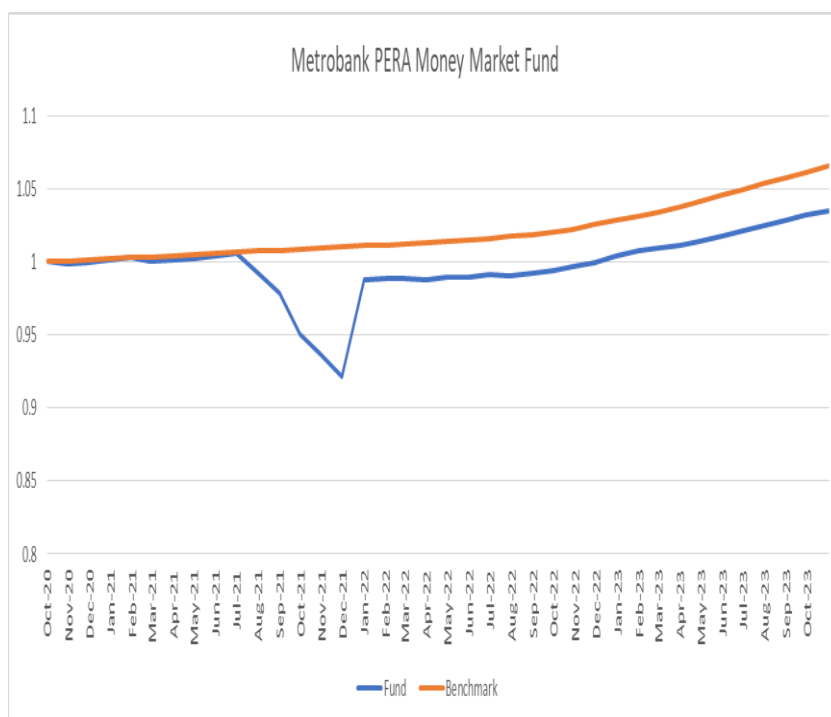


Unit Investment Trust Funds

FUND PERFORMANCE AND STATISTICS as of October 31, 2023

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

NAVPu GRAPH



NAVPu OVER THE PAST 12 MONTHS

Highest	1.034608
Lowest	0.996966

STATISTICS¹

Weighted Average Duration (in years)	0.57
Volatility, Past 1 Year (in %) ²	0.30%
Sharpe Ratio ³	-3.98
Information Ratio ⁴	-2.71

¹ Volatility, Sharpe Ratio and Information Ratio metrics is computed based on available data in past 1 month.

² 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. Starting December 2017, computation is based on the annualized standard deviation of monthly returns.

³ 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.

⁴ 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
Fund	0.246%	0.928%	2.038%	3.814%	3.640%	N/A	3.461%
Benchmark	0.394%	1.136%	2.316%	4.254%	6.533%	N/A	6.607%

Initial benchmark adopted was Bloomberg Philippines 30-day Special Savings Rate General Average beginning October 1, 2020. The Fund changed its benchmark to average rate of the most recent 91-day Philippine Treasury Bill auction, net of taxes on December 1, 2020.

PORTFOLIO COMPOSITION

Allocation	% of Fund
Government Securities	96.33%
Time Deposits	3.63%
Cash	0.05%
Other Receivables - Net of Liabilities ⁵	-0.01%

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

HOLDINGS

Name	Maturity	% of Fund
TBL	12.06.23	27.25%
TBL	01.10.24	23.50%
TBL	11.08.23	20.06%
FXT	09.07.26	18.30%
TBL	01.24.24	7.22%
GENTD MBTC	11.03.23	3.63%

Maturity Profile

Government Securities <1 year	78.03%
Government Securities >1 year - 3 years	18.30%

RELATED PARTY TRANSACTIONS

Related Party	Transaction	Market Value (in Php Mns)
MBTC	Time Deposit Placement	0.10

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.

PERA Administrator Information

In compliance with PERA Law, the PERA products may only be sold through an accredited PERA Administrator. For any concerns, you may contact the PERA Administrator through the following:

ATRAM Trust Corporation (ATC)
Website: <https://pera.seedbox.ph/>
Email: pera.support@seedbox.ph



For other details, you may visit our website at www.metrobank.com.ph or contact us at 8-8700-700 or email us at customercare@metrobank.com.ph



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INVESTMENT POLICY

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

- Deposits and special savings
- BSP deposit facilities
- Repurchase Agreements (Repos)
- Government Securities
- Corporate Bonds
- Other investments allowed under BSP regulations

OUTLOOK AND STRATEGY

The last quarter of the year started off on a negative note as news broke out about the Hamas attack on Israel last October 7. Oil immediately jumped +4% with WTI and Brent prices nearing \$100/barrel. This led to some flight to safety investments such as US Treasuries and Gold, amid potential geopolitical risks in the Middle East which could involve Iran, which is a major global oil producer and supports Hamas. For the month, we also saw the release of the September 19 to 20 FOMC minutes, where they kept the federal funds target range unchanged at 5.25% to 5.50%. The median FOMC policy rate projections for end-2024 and end-2025 each shifted higher, implying a slower pace of rate cuts over the next two years. The minutes also noted that any decision about whether to deliver a 25bps rate hike later this year remains a close call and subject to both economic data and financial markets. The two factors to monitor are how economic activity evolves in the last quarter of 2023 and the broad financial conditions including interest rates and the equity market. The US Treasuries were testing all time highs this month, which were last seen in 2007. The 10year US Treasury tested the 5% level this October. It was also an eventful month in the local space with the off-cycle 25-bp rate hike by the BSP last October 26 raising its policy rate to 6.5%, the highest in the last 16 years. Gov. Remolona said the move aimed at preventing supply-side price pressures from inducing second round effects and dislodging inflation expectations. Interest rates on overnight deposit and lending facilities were also increased to 6.0% and 7.0%, respectively. Inflation is projected to come down to around the middle of the target range of 2% to 4% for the rest 2023. However, upside risks continue to persist including potential transport fare hikes, higher electricity rates and global oil prices, and minimum wage adjustments in areas outside Metro Manila. Ending the month on a positive note, the country's October inflation came out cooler than expected at 4.9% YoY versus market expectation of 5.6%, and much lower than last month's print of 6.1%. This was driven by the slower increase in the prices of food and nonalcoholic beverages, and restaurant and accommodation services. This brings the average inflation from January to October at 6.4%. MoM inflation declined by -0.2%, the first in 6 months, and coming from the 1.1% in September.

Following the movement of the US Treasuries, the Peso bond yields moved higher by an average of 44bps across the curve MoM, led by 6month BVAL up by a whopping 64bps closing October at 6.62% level versus the previous month's close of 5.98%. Yields of the 7Y, 10Y, 20Y and 25Y BVAL rates were also up by an average of about 50bps, at around 7% levels for these tenors. In the October TBL auctions, the BTr partially awarded the issue size of PhP 60Bn, accepting only PhP 51.64Bn or about 86% of the target issuance for the month. Yields for the TBL auction were higher by an average of 43bps MoM. For the TBond auctions, the BTr fully awarded the auctions for the month, accepting the total issue size of PhP 90Bn. Accepted yields for the auctions were higher by around 40bps from the average levels awarded by the BTr in September. The BSP meanwhile held auctions for BSP Bills still with tenors 28-day and the 56-day bills. The BSP awarded both tenors slightly higher compared to the averages last month : the 28day bill with an average yield of 6.8283% on Oct. 27 from 6.73% on Sept. 29. While the 56-day BSP was awarded at an average of 6.812%, from 6.76%, last month. We continue to maximize our exposure to the BSP Bills for the liquidity funds with yield at least 6.60%.

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; 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. 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).



For other details, you may visit our website at www.metrobank.com.ph or contact us at 8-8700-700 or email us at customercare@metrobank.com.ph

