

Unit Investment Trust Funds

METRO\$ MONEY MARKET FUND KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended December 27, 2024

FUND FACTS

Classification:	Money Market	Net Asset Value per Unit (NAVPU):	1.124197
Launch Date:	June 18, 2018	Total Fund NAV (in USD Mns):	238.67
Trust Fee (per annum):	0.375% based on NAV	Dealing Day	12:00NN for Branch Channels
Minimum Investment:	USD 500	(any banking day):	2:30PM for Electronic Channels
Additional Investment:	USD 100	Redemption Settlement:	1 Banking Day after date of redemption
Minimum Holding Period:	None	Early Redemption Charge:	None

FEES COLLECTED FOR THE MONTH¹

Trustee Fees:	Custodianship Fees:	External Auditor Fees:	Other Fees:
0.029%	0.000%	0.000%	0.000%
<i>Metrobank-Trust Banking Group</i>	<i>HSBC</i>	<i>SGV & Co.</i>	<i>Qualified Expenses</i>

¹ As a percentage of average daily NAV for the month valued at (in USD Mns): **230.39**

INVESTMENT OBJECTIVE AND STRATEGY

The Fund intends to achieve for its participants liquidity and income that is higher than that of regular time deposit products by investing in a diversified mix of dollar-denominated deposits and other short-dated securities and money market instruments with remaining term to maturity of not more than three (3) years, and has a maximum weighted average portfolio duration of one (1) year or less.

The Fund aims to outperform its benchmark, which is the 3 Month US Treasury Bill Yield, net of applicable 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 METRO\$ MONEY MARKET FUND is suitable only for investors who:

- Have a Conservative profile.
- Want relatively higher return than regular deposit products.
- Prefer a fund with an investment horizon of at least 30 days.
- Are qualified to participate in this fund. Participation in the Fund shall be open to Filipino individuals, resident and non-resident aliens and corporate accounts.

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.

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.

Foreign Exchange Risk: The possibility for an investor to experience losses due to fluctuations in foreign exchange rates. The exchange rates depend upon a variety of global and local factors, e.g. interest rates, economic performance, and political developments.

Country Risk: 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.

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 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

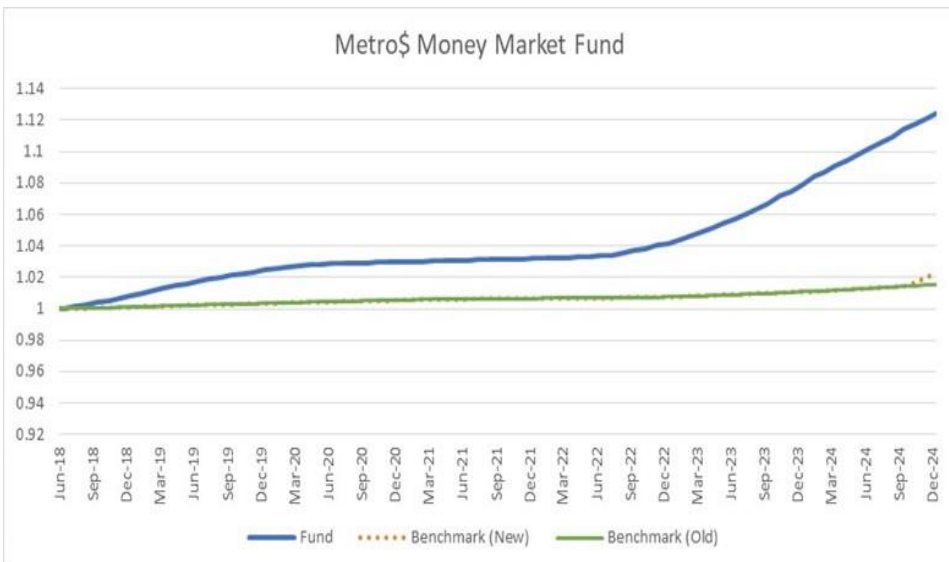


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FUND PERFORMANCE AND STATISTICS as of Dec 27, 2024

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

NAVPU GRAPH



NAVPU OVER THE PAST 12 MONTHS

Highest	1.124197
Lowest	1.072556

STATISTICS

Weighted Average Duration (in years)	0.17
Volatility, Past 1 Year (in %) ²	0.21%
Sharpe Ratio ³	-5.19
Information Ratio ⁴	-0.47

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.

(For benchmark details, please refer to benchmark information section.)

CUMULATIVE PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
Fund	0.290%	0.915%	2.057%	4.199%	8.936%	9.737%	12.420%
Benchmark (New)⁵	0.039%	0.116%	0.239%	1.172%	1.601%	1.924%	2.271%
Benchmark (Old)⁶	0.039%	0.116%	0.239%	0.449%	0.874%	1.196%	1.540%

⁵ For strategy alignment, the fund changed its benchmark to 3 Month US Treasury Bill Yield, net of applicable taxes on October 11, 2024.

⁶ The fund used the benchmark of Philippine Dollar Deposit Rates Savings Deposits (PPSDUS\$), net of applicable taxes until October 10, 2024.

PORTFOLIO COMPOSITION

Allocation	% of Fund
Time Deposit	87.96%
Government Securities	12.01%
Cash	0.05%
Other Receivables - Net of Liabilities ⁷	-0.01%

⁷ Includes accrued income from investments, receivables from brokers/counterparties and unpaid expenses.

Maturity Profile

Government Securities <=1 year	12.01%
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TOP 10 HOLDINGS

Name	Maturity	% of Fund
1. MBTC USD TD	01.02.25	1.84%
2. \$TBL	02.20.25	1.25%
3. \$TBL	03.13.25	1.25%
4. \$TBL	03.20.25	1.25%
5. \$TBL	04.17.25	1.24%
6. \$TBL	05.15.25	1.24%
7. \$TBL	03.06.25	1.24%
8. \$TBL	06.12.25	1.24%
9. \$TBL	07.10.25	1.23%
10. \$TBL	09.04.25	1.23%

RELATED PARTY TRANSACTIONS

Related Party	Transaction	Market Value (in USD Mns)
PSBank	Time Deposit Placement	27.83
MBTC	Time Deposit Placement	4.40

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.



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:

- i. US Dollar-denominated deposits with local banks/branches of foreign banks operating in the Philippines;
- ii. US Dollar-denominated money market instruments;
- iii. Tradable Philippine US Dollar-denominated sovereign fixed income securities; and
- iv. Other Investments allowed under regulations issued by the Bangko Sentral Ng Pilipinas.

BENCHMARK INFORMATION

The benchmark of the fund is the 3-month US Treasury Bill Yield, net of applicable taxes.

The benchmark is appropriate for the fund as it is invested in short-term money market instruments, and complements the maximum duration of (1) one year.

Key Characteristics of the Benchmark. The 3-month US Treasury Bill Yield represents the indicative yield for investing in US government-issued Treasury bills with a tenor of 3 months.

Further details regarding the benchmark are available from Bloomberg, and the website of the US Department of the Treasury.

COOLING-OFF PERIOD

Pursuant to regulations on Financial Consumer Protection, 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.

OUTLOOK AND STRATEGY

2024 will be known as "The Fed pivot that wasn't". Market expectation was precise with the Fed reducing rates by 100-bps since September 2024; yet reality saw 10Yr yields jumping 90-bps since the cuts began. Inflation rebounding has emerged as the greatest risk to the U.S. economy as the "no landing" narrative becomes the probable outcome in the near-term. A "no landing" scenario refers to an economic situation where the economy continues to grow despite efforts by the Federal Reserve to control inflation through interest rate hikes. In this scenario, inflation remains a concern because the economy keeps expanding, which may lead the Federal Reserve to continue raising interest rates to try to cool things down.

In the December FOMC meeting, the Federal Reserve reduced rates by another 25-bp but Fed Chair Powell's statement that the central bank will be "data dependent and cautious about further cuts" ended the dovish rhetoric with the Fed dot plot implying only two 25-bp reductions in 2025. The initial expectation was a 100-bp reduction, the development was taken negatively by the market, driving yields and the dollar higher while risk assets tumbled.

In Q3 2024, U.S. GDP was revised higher from 2.8% to 3.1%, with earnings and employment remaining resilient. Inflation inched higher to 2.7% YoY, but PPI, a leading indicator of CPI continues to trend higher, now at 3.0% YoY. Near-term risk of inflation remains low, however; the developing "no landing" rhetoric now raises concerns that inflation may inflect from the 2.5% level and head higher in the second half of 2025.

Services, which constitute roughly 70% of the U.S. economy, pushed higher to at 58.5, while manufacturing declined to 48.3. The incoming Trump Administration aims to re-shore manufacturing and production which should improve that lagging side of the economy. Meanwhile, unemployment inched up to 4.2%.

On rising inflation expectation, consumer confidence declined to 104.7. Reflation was the trend in 2024 given the U.S. elections. Moving into 2025, can the economy stay resilient under the pressure of rising long-end yields and rising dollar? These two assets are naturally restrictive to growth.

The US10Y jumped 32-bps in December and closed the year at 4.52%, the highest close since 2006. The 10Y had a confirmed upward break-out from the 4.4% critical zone. The immediate target of the break-out is 4.7% as markets price-in a resilient U.S. economy given the "no landing" scenario. Cross asset volatility sparked following the upward break caused by the Hawkish tilt of the Federal Reserve.

The U.S. Congress and outgoing President Joe Biden approved a stop-gap funding bill to prevent a government shutdown. The legislation legally allows the Federal government to use the USD700 billion Treasury General Account (TGA). The spending of the TGA increases money supply and liquidity, a positive for risk assets in the near-term. However; this is also an inflationary driver in the medium to long term.

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).



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