

Unit Investment Trust Funds

METRO HIGH DIVIDEND YIELD UNIT PAYING FUND (formerly known as Metro High Dividend Yield Fund) KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

Month Ended February 28, 2025

FUND FACTS

Classification:	Equity	Net Asset Value per Unit (NAVPU):	1.107403
Launch Date:	October 10, 2014	Total Fund NAV (in Php Bns):	3.62
Trust Fee (per annum):	1.25% based on NAV	Dealing Day	12:00NN for Branch Channels 2:30PM for Electronic Channels
Minimum Investment:	Php10,000	Redemption Settlement:	2 Banking Days after date of redemption
Additional Investment:	Php1,000	Early Redemption Charge:	50% of income on redeemed amount
Minimum Holding Period:	7 calendar days from date of participation		

FEES COLLECTED FOR THE MONTH¹

Trustee Fees:	Custodianship Fees:	External Auditor Fees:	Other Fees:
0.097%	0.000%	0.000%	0.077%
<i>Metrobank-Trust Banking Group</i>	<i>Standard Chartered Bank</i>	<i>SGV & Co.</i>	<i>Qualified Expenses</i>

¹ As a percentage of average daily NAV for the month valued at (in Php Bns): **3.56**

INVESTMENT OBJECTIVE AND STRATEGY

The Fund aims to achieve for its participants income and capital appreciation by investing in a portfolio of listed stocks which are expected to provide above average returns mainly from the distribution of cash and special dividends.

The benchmark of the fund is the Philippine Stock Exchange Dividend Yield Index.

UNIT PAYING FEATURE MECHANICS

Eligibility	All registered Participants in the Fund one day before the distribution date shall be entitled to receive their pro-rated share of income through units.
Unit Distribution Frequency	Participants shall receive unit income on a semi-annual basis every fourth Monday of April and October of the year.
Unit Distribution Settlement	Units received by the participants shall be automatically redeemed on distribution date and credited in the Participant's settlement account one business day after the distribution date.
Allocation of Income to be Distributed	The units to be distributed by the Fund to all eligible Participants shall be made from cash received from interest income earned and cash dividends within the six month period, less applicable taxes, fees and expenses.

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 HIGH DIVIDEND YIELD UNIT PAYING FUND is suitable only for investors who:

- Have an Aggressive profile.
- Want capital growth over the long-term and are willing to be exposed to a higher level of risk that may involve possible loss of principal in the short-term in exchange for higher long-term gains.
- Want income to be distributed on a semi-annual basis, and capital appreciation over time by investing in shares listed in the Philippine high dividend yield stocks.
- Prefer a fund with an investment horizon of at least five (5) years.
- 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.

Market/Price Risk:	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.
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 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

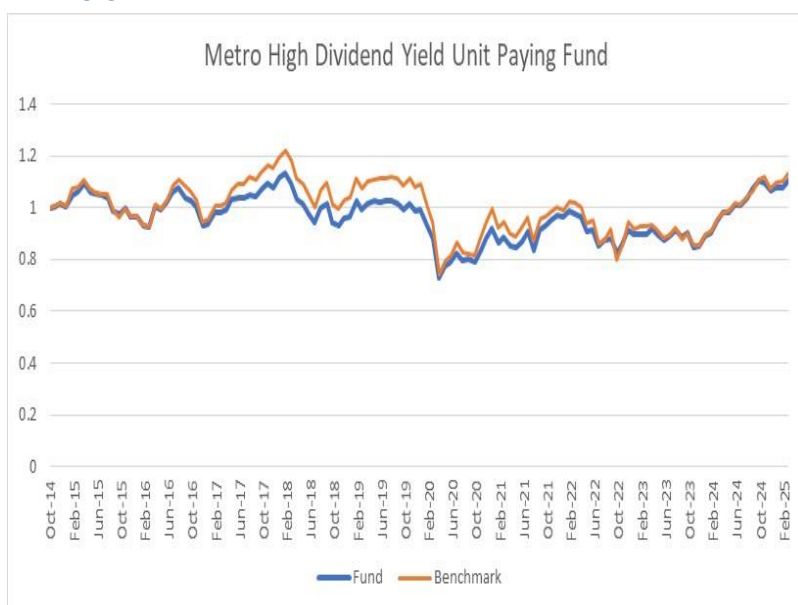


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FUND PERFORMANCE AND STATISTICS as of February 28, 2025

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

NAVPU GRAPH



NAVPU OVER THE PAST 12 MONTHS

Highest	1.158955
Lowest	0.945546

STATISTICS

Weighted Average Duration (in years)	N/A
Volatility, Past 1 Year (in %) ²	6.16%
Sharpe Ratio ³	1.78
Information Ratio ⁴	-0.38

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.)

UNIT INCOME DISTRIBUTION INFORMATION

Date of Latest Distribution:	October 28, 2024	NAVPU on Latest Distribution Date:	1.111181
Total Income for Distribution (Php):	55,778,990.40	Equivalent Units for Distribution:	50,197,933.91
Income in % (April 20, 2024 - October 25, 2024)	1.980%	Unit Income (April 20, 2024 - October 25, 2024)	0.022
Past Distribution Dates: 10/23/2023,04/24/2023,10/20/2023,04/22/2024			

Effective January 3, 2023, the Fund was amended to include a unit paying feature. Amounts of distribution may vary, are not guaranteed and are determined by the Trustee in accordance with the Plan Rules. Income distribution may result in an immediate decrease in NAVPU by the amount of the distribution.

CUMULATIVE PERFORMANCE

	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	Since Inception
Fund	2.471%	3.881%	3.107%	16.798%	13.204%	25.597%	10.740%
Benchmark	2.644%	5.213%	6.248%	17.951%	10.987%	19.540%	13.211%

PORTFOLIO COMPOSITION

Allocation	% of Fund
Stocks	95.16%
Time Deposits	5.76%
Cash	-0.06%
Other Receivables - Net of Liabilities ⁵	-0.86%

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

Sector Holdings

Services	21.67%
Financials	20.37%
Industrials	17.39%
Properties	15.34%
Holdings	15.18%
Mining And Oil	10.05%

TOP 10 HOLDINGS

Name	% of Fund
1. MBT	10.43%
2. TEL	10.28%
3. SCC	9.56%
4. MER	9.24%
5. DMC	8.44%
6. GLO	7.74%
7. CBC	7.04%
8. AREIT	6.17%
9. LTG	5.92%
10. RCR	4.80%

RELATED PARTY TRANSACTIONS

Related Party	Transaction	Market Value (in Php Mns)
MBTC	Time Deposit Placement	107.93
MBTC	Shares of Stock	377.19

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 customer@metrobank.com.ph



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INVESTMENT POLICY

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

i. Stocks listed in the Philippine Stock Exchange;

For prudential liquidity requirement and in the nature of interim or temporary investments, the Fund may also invest in the following instruments:

ii. Deposits with accredited local banks or branches of foreign banks operating in the Philippines;

iii. Other Short Term Investments allowed under regulations issued by the Bangko Sentral Ng Pilipinas.

Financial derivatives instruments solely for the purpose of hedging risk exposures of the existing investments of the Fund, provided these are accounted for in accordance with existing BSP hedging guidelines and disclosed to participants.

BENCHMARK INFORMATION

The benchmark of the fund is the Philippine Stock Exchange Dividend Yield Index. The benchmark provides reference for acceptable returns on a peso-denominated high-risk equity fund, with a payout feature. It is primarily composed of the dividend-paying PSEI-listed companies.

Key Characteristics of the Benchmark. The PSE DivY focuses on companies that consistently give high-yielding dividends. The 20 companies in the index are selected based on liquidity, free float, financials, and three-year average dividend yield performance.

Further details regarding the benchmark are available at the website of the Philippine Stock Exchange.

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

Modest rebound in February. The PSEI rebounded by 2.3% month-on-month, closing at 5,997.97 after the previous month's selloff. Throughout most of the month, the index traded sideways between 6,000 and 6,200 as investors digested a slew of fourth-quarter 2024 and full-year 2024 earnings results, inflation data, and the Bangko Sentral ng Pilipinas' policy moves. On the flows side, average daily turnover improved to \$116 million, likely boosted by the implementation of MSCI rebalancing at the month's end, which saw JGS (-1.86%) and URC) +8.88% removed from the main index and subsequently added to the small-cap index. However, foreign funds continued their selling streak for the fourth consecutive month, with an outflow of \$145 million.

4Q24 earnings generally in-line. Earnings season was in full swing during the month, with approximately 40% of index constituents having reported results, the majority of which met market expectations. The top three banks reported robust results, primarily driven by higher loan growth and steady asset quality, despite slight challenges in expanding net interest margins amid easing rates. The two property companies in the index reported divergent performances in the residential sector, with SMPH showing a rebound in presales, while ALI continued to decline, attributing this to the timing of launches. The overall outlook for the sector remains uncertain amid heightened inventory levels in Metro Manila. In the telcos sector, TEL saw gains in its mobile segment, while Maya continued to narrow its losses. GLO, on the other hand, disappointed due to Mynt's one-off asset cleanup in preparation for its upcoming IPO. Lastly, MER surprised to the upside due to stronger contributions from its generation business.

BSP surprises with a pause. February inflation was recorded at 2.1% year-on-year, better than the 2.6% consensus estimate. Core inflation eased to 2.4% from the previous month's 2.6%. The primary contributor to the decline in headline inflation was easing food prices, with food inflation decelerating to 2.6% in February 2025 from 4.0% the previous month and 4.8% in February 2024. Given uncertainties regarding inflation and growth outlook, the BSP paused its easing cycle, keeping the policy rate unchanged at 5.75% in their latest meeting, despite market expectations of a 25 basis point cut. Nevertheless, the BSP proceeded with its planned 200 basis point reduction in the reserve requirement ratio, effective March 28th, which is estimated to inject at least PHP 300 billion worth of liquidity into the financial system.

For local equities, fundamentals of the market remain strong, with a key driver being corporate earnings growth which we expect to settle around 9% for 2025. Moreover, we also reiterate the relative attractiveness of local equities from a valuation standpoint, both historically and in comparison, to ASEAN peers. However, in the short term, volatility is anticipated to persist, largely due to global uncertainties from Trump 2.0, foreign exchange, and foreign outflows. In light of these factors, we recommend adopting a selective approach, prioritizing highly liquid names with clear earnings visibility and maximizing dividend-paying names.

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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