

FUND CLASSIFICATION: Money Market

CLIENT SUITABILITY:
Suitable for individual and corporate investors with moderately conservative risk appetite.

INVESTMENT OBJECTIVE:
To achieve liquidity and generate income for its participants by investing in a diversified portfolio of short-term Philippine peso denominated fixed income instruments with a portfolio duration of not more than one (1) year. The Fund aims to outperform its benchmark, the Philippine 91-day Treasury Bills.

FUND SUMMARY:
Net Asset Value per Unit (NAVPU)¹ Php 105.083828
Total Fund NAV (Mln) Php 1491.004316
Duration(Interest Rate Risk) Years 0.22

GENERAL INFORMATION:
Base Currency Php
Minimum Initial Participation Php 10,000
Minimum Additional Participation Php 5,000
Minimum Holding Period 30 days
Early Redemption Fee 1.00% for 1-15 days and 0.50% for 16-30 days of Redemption proceeds for all subscriptions held for less than thirty (30) days
Trust Fee 0.50% p.a. based on NAV
Custodian Fee Minimum monthly fee of \$250 or its peso equivalent
Applicable Tax 20% Final tax for fixed income investments
External Auditor Fees: 0.01%
Valuation Marked-to-Market
Dealing Day Banking day until 1:30 PM
Redemption Settlement Next banking day from date of redemption
Fund Manager PSBank Trust Division
Custodian HSBC
Launch Date January 2, 2014

OTHER DISCLOSURES:
¹ Net of fees and taxes.

FIGURES AS OF NOVEMBER 29, 2017

CUMULATIVE PERFORMANCE (%):

	YTD	YOY	1 mo	6 mos
Fund	1.297%	1.439%	0.080%	0.672%
Benchmark	1.710%	1.808%	0.166%	0.940%

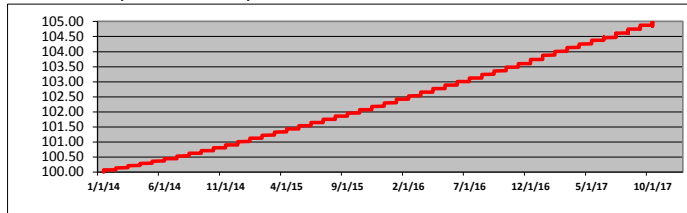
Note: Rates are net of tax

ANNUALIZED (%):

	YTD	YOY	1 mo	6 mos
Fund	1.753%	1.799%	1.201%	1.680%
Benchmark	2.310%	2.260%	2.484%	2.350%

Note: Rates are gross of tax

NAVPU GRAPH (SINCE INCEPTION):



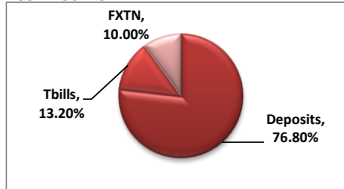
TOP HOLDINGS:

Name	% of Fund
Deposits-Other Bank	12.08%
FXTN	10.01%
Deposits-Other Bank	9.00%
TBILLS	6.59%
Deposits-Other Bank	6.41%
Deposits-Other Bank	5.38%

MATURITY PROFILE:

5 years and up	0.00%
1 year but not more than 5 years	0.00%
Cash and less than 1 year	100.00%

COMPOSITION:



FUND MANAGER'S REPORT

MARKET REVIEW:

Third quarter 2017 GDP growth registered at 6.9%, lower than third quarter 2016 growth of 7.1% and higher than the consensus forecast of 6.6%. This result brings 9M2017 average GDP growth to 6.7%, within the government's full-year 2017 target of 6.5%-7.5% growth. Headline inflation in November was 3.3%, down from 3.5% in October and in line with the consensus estimate of 3.3%. This brought the average headline inflation for January-November to 3.2%, within the BSP's full-year target range of 2.0%-4.0%. Core inflation for the month rose slightly to 3.3% from 3.2% in October with year-to-date average core inflation at 2.9%.

OFW remittances in September reached \$2.186 billion, down by 8.3% year-on-year and down 14.3% month-on-month from \$2.499 billion in August. Aggregate remittances for January-September 2017 totaled \$20.781 billion, up 3.8% year-on-year from \$20.025 billion in 2016. The government is targeting remittances growth of 4.0% in 2017.

During the 1st T-bill auction for the month last November 16, the 91-day T-bill fetched 2.148%, higher than the 1.957% it fetched at the October 23 auction. The 182-day T-bill's yield rose to 2.563% from 2.457% while the 364-day T-bill was up to 2.952% from 2.853%. Total tenders for the three tenors amounted to P29.941 billion and the BTr made a partial award of P18.5 billion out of a total offer size of P20 billion.

During the 2nd T-bill auction last November 27, the Bureau of the Treasury (BTr) rejected all bids amid weak demand.

OUTLOOK AND STRATEGY:

Yields in the secondary market increased by 45.22 bps on average month-on-month with the 91-day T-bills fetching 3.0121, up by 93.73 bps following the strong demand from the BTr's 5-yr RTB issuance with a total issue size of P255 billion and a coupon rate of 4.625%.

With the Fed expected to hike rates before the year ends, the fund will remain defensive and will continue to seek high yielding short-term instruments.

To know more you may visit our website at www.psbank.com.ph or call us at Tel. nos. (63-2) 885-8287/8332; 944-1496; or email us at trustmarketing@psbank.com.ph

Participation in the Fund is NOT a DEPOSIT and not insured by the Philippine Deposit Insurance Corporation (PDIC). Due to the nature of the investments, yield and potential yields cannot be guaranteed. Any income and loss arising from market fluctuations and price volatility of the securities held by the fund, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the fund, when redeemed, maybe worth more or be worth less than his/her initial investment/contributions. Historical performance when presented is purely for reference purposes and not a guarantee of future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence. The Declaration of Trust of the Fund is available at the principal office of the Trustee upon request.

Supervised by the Bangko Sentral ng Pilipinas. BSP contact details: (02) 708-7087 | consumeraffairs@bsp.gov.ph