

**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)<sup>1</sup> Php 110.694657  
Total Fund NAV (in Php Bn) Php 1.069920  
Duration(Interest Rate Risk) Years 0.34

**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: Valuation 0.01% 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:**

<sup>1</sup> Net of fees and taxes.

**FIGURES AS OF JULY 31, 2019**

**CUMULATIVE PERFORMANCE (%):**

	1 Month	6 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Fund	0.463%	2.375%	2.825%	4.005%	7.344%	10.103%	10.695%
Benchmark	0.274%	2.086%	2.492%	3.979%	7.891%	10.924%	11.485%

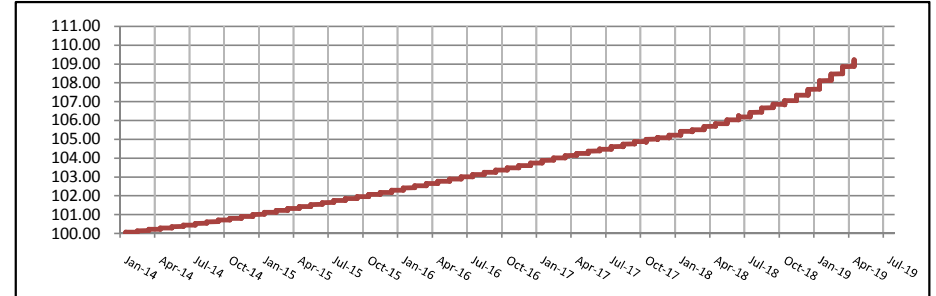
Note: Rates are net of tax

**ANNUALIZED (%):**

	1 Month	6 Months	YTD	1 Year	3 Years	5 Years	Since Inception
Fund	6.952%	5.936%	5.996%	5.007%	9.180%	12.629%	13.368%
Benchmark	4.113%	5.214%	5.291%	4.973%	9.863%	13.655%	14.356%

Note: Rates are gross of tax

**NAVPU GRAPH (SINCE INCEPTION):**



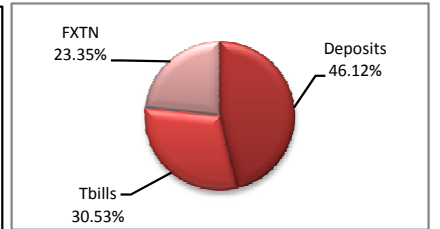
**TOP HOLDINGS:**

Name	% of Fund
FXTN	18.67%
Deposits-Other Bank	9.34%
TBILLS	8.99%
Deposits-Other Bank	6.07%
Deposits-Own Bank	5.60%
Deposits-Own Bank	4.67%

**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:**

Headline inflation in July was 2.4%, down from 2.7% in June and in line with the consensus estimate of 2.4%. This brought the average headline inflation for Jan-July 2019 to 3.3%, within the BSP's full-year target range of 2.0%-4.0%. Core inflation for the month was down to 3.2% from 3.3% in June with year-to-date average core inflation at 3.6%.

OFW remittances in May reached \$2.609 billion, up by 5.7% year-on-year and up 6.9% month-on-month from \$2.441 billion in April. Aggregate remittances for January-May 2019 totaled \$12.349 billion, up 4.5% year-on-year. For 2019, the government is targeting remittances growth of 3.0%.

During the 1st T-bill auction for the month last July 8, the 91-day T-bill fetched 3.883%, lower than the 4.385% it fetched at the June 25 auction. The 182-day T-bill's yield declined to 4.238% from 4.723% while the 364-day T-bill was down to 4.736% from 4.986%. Total tenders for the three tenors amounted to P50.53 billion and the BTR fully awarded the P15 billion offer size.

Finally, last July 22, the 91-day T-bill fetched 3.769%, lower than the 3.883% it fetched at the July 8 auction. The 182-day T-bill's yield declined to 4.100% from 4.238% while the 364-day T-bill was down to 4.519% from 4.736%. Total tenders for the three tenors amounted to P74.322 billion and the BTR fully awarded the P15 billion offer size.

**OUTLOOK AND STRATEGY:**

Yields on the government securities declined by an average of 42.71 bps month-on-month with 91-day T-bills fetching 3.838% down by 62.2 bps after the 25 bps rate cut by the Fed and amid lower inflation expectations for July. The Fund's 30-day and YTD absolute performance was at 0.463% and 2.825%, outperforming its benchmark by 18.93 bps and 33.22 bps respectively. The Fund lengthened its duration to 0.34 from 0.31 the previous month after the purchase of 1-year T-bills to lock-in higher yields. With the expected rate cut by the BSP during its MB meeting this August 8, yields are seen to decline further and we will continue to reposition our portfolio to maximize returns.

To know more you may visit our website at [www.psbank.com.ph](http://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](mailto: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. The investor must read the complete details of the fund in the Plan Rules, make his/her own risk assessment, and when necessary, he/she must seek independent/professional opinion, before making an investment.

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

**Customer Complaints, Concerns and Other Queries** - In case of complaints, concerns and other queries regarding PSBank Trust Division Products and Services, the Client may contact the Bank's 24/7 Customer Experience Hotline at (02) 845-8888; text (63 998-8458888; e-mail at [customerexperience@psbank.com.ph](mailto:customerexperience@psbank.com.ph) or call BSP Financial Consumer Department at Tel. No. 708-7087.