

BANK OF COMMERCE – TRUST SERVICES DIVISION

BANK OF COMMERCE DIVERSITY MONEY MARKET FUND
KEY INFORMATION AND INVESTMENT DISCLOSURE STATEMENT

For the Quarter ended 9/30/2017

FUND FACTS

Classification	Money Market Fund	Net Asset Value per unit	1.05277
Launch Date	August 16, 2013	Total Fund NAV	PHP 82,215,611.24
Minimum Investment	PhP 10,000.00	Dealing Day	11:30 AM
Minimum Additional	PhP 5,000.00	Redemption Settlement	T + 1
Minimum Holding period	30 days	Early Redemption Fee	5% on redeemed amount

FEES*

TRUSTEE FEE: 0.25%	CUSTODIAN FEE:	EXTERNAL AUDITOR	OTHER FEES:
*As a percentage of daily NAV	N/A	N/A	N/A

INVESTMENT OBJECTIVE & STRATEGY

The Fund intends to maximize income potential with steady return while preserving capital and maintaining adequate liquidity. The Fund shall be invested in a diversified portfolio of peso deposits with minimal price volatility and has a duration of less than one (1) year. These include short-term peso deposits with local banks, including the Bangko Sentral ng Pilipinas, and/or branches of foreign banks operating in the Philippines. The Fund is suitable for individual and institutional investors with a "Conservative" risk profile who prefers low level of risk, favors fixed return and have an investment horizon of less than one (1) year.

CLIENT SUITABILITY

The Bank of Commerce Diversity Money Market Fund is suitable only for investors who:

- Have a CONSERVATIVE risk profile
- With an investment horizon of less than one (1) year

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.

Credit Risk/Default Risk. The possibility for an investor to experience losses due to a borrower's failure to pay principal and/or interest payments/amortizations in a timely manner on instruments such as bonds, loans, or other forms of security which the

Interest Rate Risk. The possibility that an investor may experience losses due to changes in interest rates.

Market / Price Risk. The possibility that an investor may experience losses due to changes in market prices of securities (e.g., bonds and equities).

Liquidity Risk: The possibility that an investor may 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 loss.

Reinvestment Risks. The possibility that an investor may experience losses due to probable lower returns or earnings when maturing funds or the interest earnings of the Fund are reinvested.

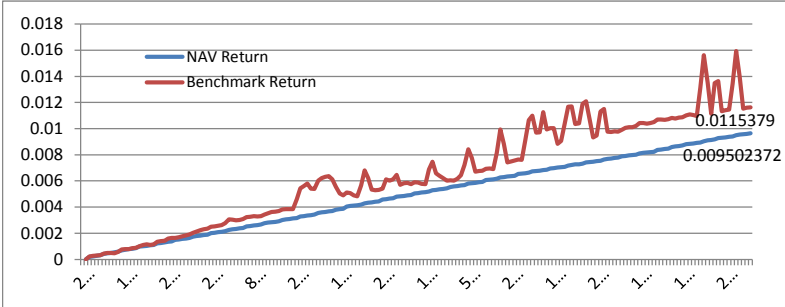
Country Risk. The possibility that an investor may experience losses arising from investments in securities issued by/in foreign countries due to the political, economic and social structures of such countries.

- THE UIT FUND IS NOT A DEPOSIT AND NOT INSURED BY PHILIPPINE DEPOSIT INSURANCE CORPORATION (PDIC).
- RETURNS CANNOT BE GUARANTEED AND HISTORICAL NAVPU IS FOR ILLUSTRATION OF NAVPU MOVEMENT/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 queries, contact us via email at trustmarketing@bankcom.com.ph
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FUND PERFORMANCE AND STATISTICS AS OF 09/30/17
(Purely for reference purposes and is not a guarantee of future results)

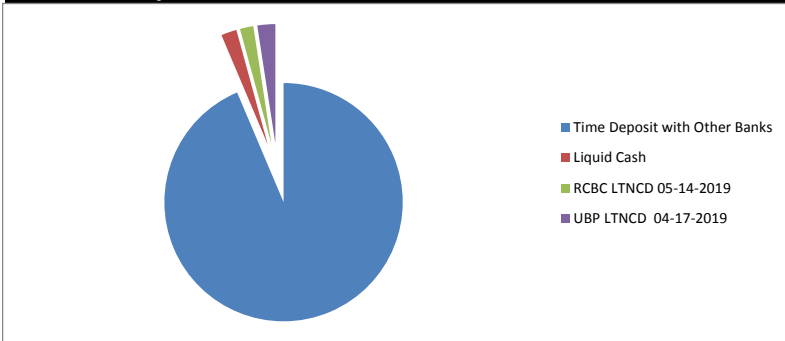
NAVpu Graph



Cumulative Performance (%)

Period	1mo	3mos	6mos	1yr	3yrs
Fund	0.1023%	0.3027%	0.9670%	1.3417%	4.0602%
Benchmark	1.6887%	2.2200%	1.6604%	1.2840%	1.2000%

Portfolio Composition



OUTLOOK AND STRATEGY

The government was able to raise Php115billion in the October 10 auction. The volume received in the auction was almost four times the amount the government planned to raise although the rates were lower than the secondary market is the same securities. The 91day Tbill rates fetched at an average of 1.958% from 2.826% from the last auction result. The government awarded Php6billion out of the Php27.81 billion bid. The government awarded Php5 billion out of Php27.81billion action at 2.457% a decrease of 6.5 bps while for the 364 day Tbills was awarded at 2.82% from the 2.861% reaching Php12.856 billion bid with only Php4 billion. The strong demand for short term papers drives the yields lower. The investors intend to position in short term investment in anticipation of the Fed Rate Hike sometime in December as well as improve market participation in preparation for the Treasury's enhanced GSEDs program.

On the otherhand, some listed banks are set to issue Long-Term Negotiable Certificates of Deposit to service requirements for fixed income instruments.

The Fund is set to position on higher yielding issues which are within compliance to allowed average duration.

NAVpu over the past 12 months

Highest	1.052770
Lowest	1.023571

Statistics

Wtd. Ave. Duration	0.19
Volatility, Past 1 Year*	0.70
Sharpe Ratio**	(1.21)
Information Ratio***	(1.51)

*Volatility measures fluctuation in yield.

**Sharpe ratio evaluates return-to-risk efficiency of the portfolio. The higher the value, the higher the reward per unit of risk.

***Information ratio evaluates return-to-risk efficiency of the portfolio

Top Ten Holdings (%)

Holdings	Weight
Time Deposit with Other Banks	93.63%
Liquid Cash	2.12%
RCBC LTNCD 05-14-2019	2.43%
UBP LTNCD 04-17-2019	1.83%
TOTAL	100.00%