

# The Sterling MONEY MARKET FUND

**Sterling Bank of Asia**  
A Savings Bank

**Trust Group**

Sterling Bank of Asia's Peso Denominated Unit Investment Trust Fund

## Quarterly Investment Disclosure Statement – 31 March 2013

Net Asset Value, end of quarter      Php 4,024,424.62  
Net Asset Value Per Unit                  Php 1.09982

### Short Description

The **Sterling Money Market Fund** is a peso denominated money market Unit Investment Trust Fund launched last April 7, 2009. It is suited for professionals, corporations, high-salaried OFWs, and other individuals or corporations who are looking to invest over the short to medium-term. These are clients who intend to settle for return on investment that is higher than the regular traditional deposit products, and are aware that a higher return is accompanied by a higher level of risk. These clients are also willing to expose the funds to a certain level of risk thus can accept some near-term or temporary fluctuations in value of investments.

The investment objective of the Fund is to generate a steady stream of income by investing in a diversified portfolio of short term government securities, money market securities, and other highly marketable fixed-income instruments up to maximum tenor of five years but at an average maturity duration of one year or less.

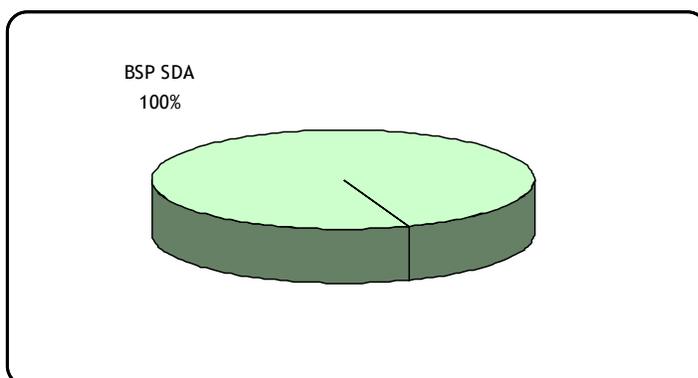
The Fund aims to achieve a rate of return based on the prevailing PDST-R2 rate plus 0.25% to 1%.

Participation / Redemption Conditions	
<b>Transaction Hours</b>	9:00 AM to 11:30 AM Daily. Participation received after the cut-off shall be value dated the next banking day
<b>Allowed Fund for Participation</b>	Cleared Fund Only
<b>Documentation Deliverables</b>	
Prior to Acceptance of Participation	Client Suitability Assessment Form
Upon Acceptance of Participation	Participating Trust Agreement, Risk Disclosure Statement
One Banking Day After Acceptance of Participation	Confirmation of Participation (COP)
<b>Redemption Conditions</b>	
Notice of Redemption	One Day Notice Is Required
Documentation Required for Redemption	Confirmation of Participation
Allowed Redemption	Full Redemption Per COP. No partial redemption is allowed in one (1) COP
Penalty on Early Redemption	0.50% of the Net Proceeds
Mode of Payment	Credit to Account, Cash/Peso Notes, Manager's Check, RTGS

Administrative Details	
Trust Fee	1.00% per annum
Minimum Investment	Php 10,000.00
Holding Period	Thirty (30) Calendar Days

Special Expenses		
Nature of Expenses	Name of Third Party	Amount Per Quarter
Custodianship Fees	Standard Chartered Bank	Php 0.00
External Audit Fees	Sycip Gorres & Velayo	Php 0.00

### Outstanding Investments



### Market Update & Outlook

The Philippines was recently uplifted by the news before going to the Lenten Holidays that Fitch Ratings has classified the country's credit ratings to investment grade "BBB-" from "BB+"

Said ratings was brought about by the positive outlook on the government's efforts to achieve fiscal sustainability, ongoing campaign against corruption and increase infrastructure spending.

The market remains on the positive level amid the ongoing European Union economic woes particularly on the current Cyprus concerns and the brewing North Korean threats against the US and South Korea.

The BSP has recently lowered the SDA rates to stimulate the economic growth by pushing for more SME lending, however, the intention was proven otherwise considering that the SDA volume even increased to almost Php2.0T. As such, the Monetary Board might have another round of rate cuts to around 100 Basis Points

### Investment Strategy

The Sterling Money Market Fund will continue to be invested in various short term high yielding instruments.

We will look for more opportunities to invest in long-term bonds and shall maintain proactive stance in investing.

We will continue to monitor the market for opportunity to lock in gain for our existing investments and for possible additional investment in medium to long-term high yielding bonds to improve investment returns.

The UITF is NOT a DEPOSIT and not insured by PDIC. Due to the nature of the investments, yield and potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the UITF, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the UITF, when redeemed, may be worth more or be worth less than his/her initial investments/contributions. Historical performance, when presented, is purely for reference purposes and is not a guarantee of future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence.

\* Average Daily Net Asset Value (NAV) of the Fund for the quarter ended March 31, 2013 is Php4,024,424.62

# The Sterling MONEY MARKET FUND

**Sterling Bank of Asia**  
A Savings Bank

**Trust Group**

Sterling Bank of Asia's Peso Denominated Unit Investment Trust Fund

## Quarterly Investment Disclosure Statement – 30 June 2013

Net Asset Value, end of quarter      Php 3,354,956.07  
Net Asset Value Per Unit                  Php 1.10222

### Short Description

The **Sterling Money Market Fund** is a peso denominated money market Unit Investment Trust Fund launched last April 7, 2009. It is suited for professionals, corporations, high-salaried OFWs, and other individuals or corporations who are looking to invest over the short to medium-term. These are clients who intend to settle for return on investment that is higher than the regular traditional deposit products, and are aware that a higher return is accompanied by a higher level of risk. These clients are also willing to expose the funds to a certain level of risk thus can accept some near-term or temporary fluctuations in value of investments.

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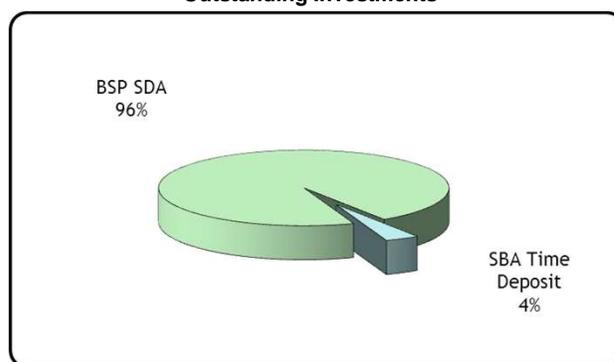
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Allowed Redemption	Full Redemption Per COP. No partial redemption is allowed in one (1) COP
Penalty on Early Redemption	0.50% of the Net Proceeds
Mode of Payment	Credit to Account, Cash/Peso Notes, Manager's Check, RTGS

Administrative Details	
Trust Fee	1.00% per annum
Minimum Investment	Php 10,000.00
Holding Period	Thirty (30) Calendar Days

Special Expenses		
Nature of Expenses	Name of Third Party	Amount Per Quarter
Custodianship Fees	Standard Chartered Bank	Php 0.00
External Audit Fees	Sycip Gorres & Velayo	Php 0.00

### Outstanding Investments



### Market Update & Outlook

The Philippines having sound fundamentals these past few weeks were affected largely by the strengthening US economic developments.

The Philippine economy posted a 7.80% GDP growth in the first quarter of 2013 from 6.5 percent the previous year. The First Quarter growth is the highest so far under the Aquino administration and also the third consecutive quarter of more than 7.00% GDP growth.

Federal Reserve chairman, Ben Bernanke, gave the clearest indication that he intends to cut back on the Fed's \$85bn-a-month stimulus program, which made the global markets to believe that the US Economy is in the right path to recovery. Leading foreign players to reconsider investing back into the US markets.

The BSP has set a timeline for the planned gradual phase out of the SDA facility, having set the November 2013 as the month of reckoning. Said plan if needed to stimulate the local industry and to promote SME growth.

### Investment Strategy

The Sterling Money Market Fund will continue to be invested in various short term high yielding instruments.

We will look for more opportunities to invest in long-term bonds and shall maintain proactive stance in investing.

We will continue to monitor the market for opportunity to lock in gain for our existing investments and for possible additional investment in medium to long-term high yielding bonds to improve investment returns.

Source: NSCB website

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\* Average Daily Net Asset Value (NAV) of the Fund for the quarter ended June 30, 2013 is Php3,354,956.07

**Quarterly Investment Disclosure Statement - 31 December 2013**

Net Asset Value, end of quarter      Php 3,523,258.24  
 Net Asset Value Per Unit              Php 1.10505

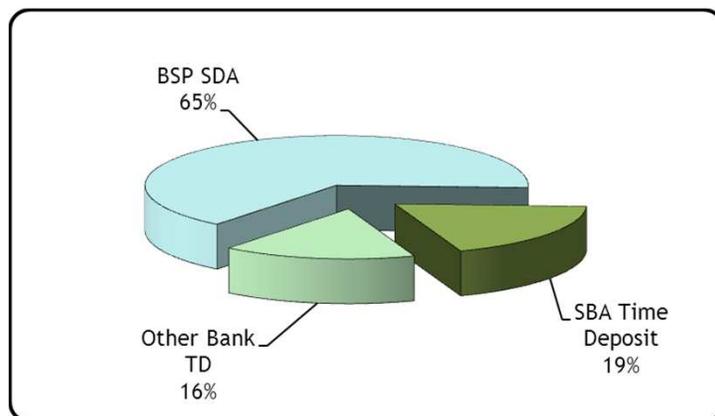
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**Outstanding Investments**



**Market Update and Outlook**

Recent economic indicators has created a positive outlook for the Philippines. Remittances has risen since August and would continue to flow in till the January 2014. Said increase was a result of the recent holiday season. Towards the end of the year, major corporations tend to “window dress” their books, to highlight significant numbers, to start the year 2014 on a much brighter outlook.

Despite the positive outlook, BSP has said that inflation is likely to pick up towards the end of the month as is an expected increase in the cost power, fuel and basic necessities. BSP has indicated that they will continue to monitor these developments as part of its commitment to “temper” inflation.

**Investment Strategy**

Sterling Bank of Asia Trust will continue to source out opportunities with higher returns. In lieu the BSP Special Deposit Accounts (SDA) as BSP has set some limitations to its investment in the SDA.

Main focus will be to tap on short-term corporate bond offerings and other banks special time deposits facilities in compliance to BSP’s mandate on portfolio distribution.

**Participation / Redemption Conditions**

<b>Transaction Hours</b>	9:00 AM to 11:30 AM Daily. Participation received after the cut-off shall be value dated the next banking day
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Mode of Payment	Credit to Account, Cash/Peso Notes, Manager's Check, RTGS

**Administrative Details**

Trust Fee	1.00% per annum
Minimum Investment	Php 10,000.00
Holding Period	Thirty (30) Calendar Days

**Special Expenses**

Nature of Expenses	Name of Third Party	Amount Per Quarter
Custodianship Fees	Standard Chartered Bank	Php 0.00
External Audit Fees	Sycip Gorres & Velayo	Php 0.00

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**Quarterly Investment Disclosure Statement - 30 September 2013**

Net Asset Value, end of quarter      Php 3,816,886.21  
 Net Asset Value Per Unit              Php 1.10357

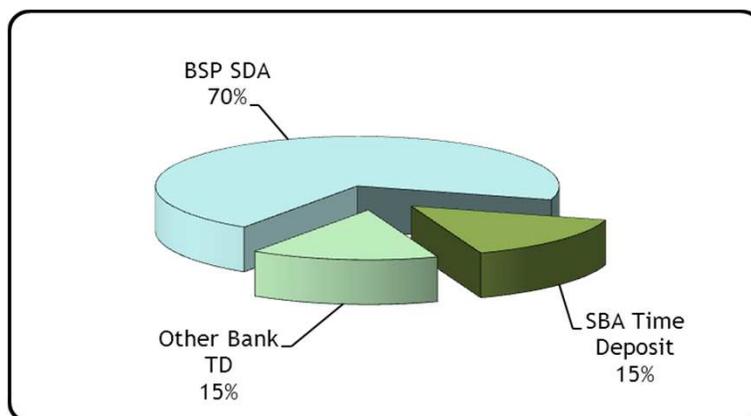
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**Outstanding Investments**



**Market Update and Outlook**

The Philippines continues to maintain its growth momentum from the previous quarter having considered the worsening economic conditions in the US and Europe and some ongoing terroristic activities in Africa.

Domestic Liquidity have increased this past August the fastest growth rate in the money supply in the Philippines for over a decade, brought about by the release of cash from BSP's Special Deposit Accounts and an surge in the release of loans from major banks.

**Investment Strategy**

Sterling Trust will continue to source out opportunities with higher returns to compensate for the eventual phase out of Special Deposit Account of BSP this coming November.

Main focus will be to tap on short-term corporate bond offerings and other banks special time deposits facilities in compliance to BSP's mandate on portfolio distribution.

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