

# 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 December 2011

Net Asset Value, end of quarter      Php1,368,733.31

Net Asset Value Per Unit              Php1.07049

### 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.

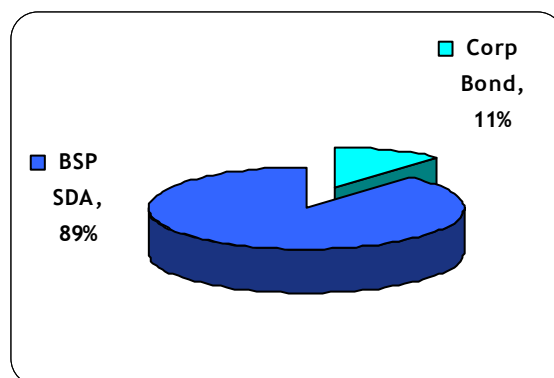
The Fund aims to achieve a rate of return based on the prevailing PDST-R2 rate plus 0.25% to 1%.

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

Less spending from the Philippine government and current regional uncertainties are the factors that have curtailed the economic growth for the third quarter in the Philippines.

However, despite these factors the Philippine Government have remained optimistic of the growth. NEDA estimates that the economy will expand by 7.80% for a full year growth of 5.50%

The government is expected to boost spending on 2012 to stimulate the economy to compensate for the lack of performance for 2011. They expect the economy to grow by 6.0%

### 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 high-yielding bonds in anticipation for the upcoming maturity of the Fund's investment in San Miguel Brewery Bond on April 2012 and shall maintain a 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 December 31, 2011 is Php1,368,733.31