

Quarterly Investment Disclosure Statement - 31 March 2014

Net Asset Value, end of quarter Php 4,649,771.67
 Net Asset Value Per Unit Php 1.10645

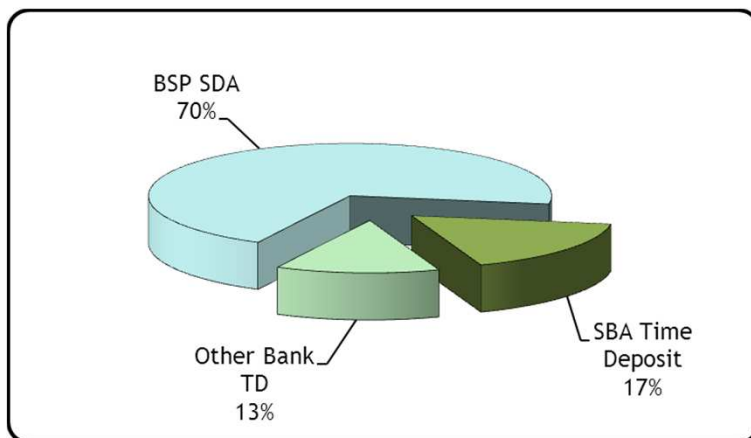
Short Description

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%.

Outstanding Investments



Market Update and Outlook

The Bangko Sentral ng Pilipinas (BSP) has raised the reserve requirements of banks by 1% effective April 04. Said measure was made to dampen the liquidity and control the threat of inflation.

The BSP opted to use its monetary policy tool on reserve requirements to facilitate the immediate effect on the market and maintain the rates for the securities offering longer tenors.

As such, markets would remain quite with no new developments. The coming weeks bonds would be traded on a tight range having thinner spreads. Until further news trading will remain slow in the light of the Lenten season

Corporate bonds would be on the limelight in contrast to Government offerings. Lineup would include PS Bank (Tier 2 Note), Robinson's Land Corp, SM Investments Corp, Globe Telecoms, and Vista Land.

Investment Strategy

Sterling Bank of Asia Trust will continue to source out opportunities with higher returns. Opportunities will be made on offerings for Corporate Bonds. 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

Transaction Hours	9:00 AM to 11:30 AM Daily. Participation received after the cut-off shall be value dated the next banking day
Allowed Fund for Participation	Cleared Fund Only
Documentation Deliverables	
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)
Redemption Conditions	
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

The UIT Fund 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 UIT Fund, even if invested in government securities, is for the account of the investor. As such, units of participation of the investor in the UIT Fund, 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.