

Quarterly Investment Disclosure Statement - 30 June 2014

Net Asset Value, end of quarter Php 5,039,034.62

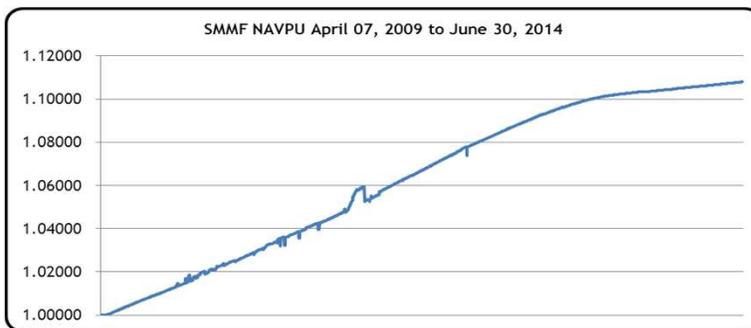
Net Asset Value Per Unit Php 1.10798

Short Description

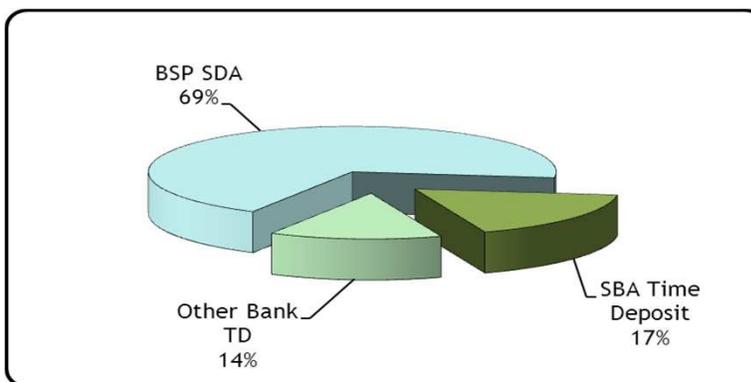
The **Sterling Money Market Fund** is a peso denominated money market Unit Investment Trust Fund launched last April 7, 2009. It is suited for professionals, corporations, high-salaried OFWs, and other individuals or corporations who are looking to invest over the short to medium-term. These are clients 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 increased the Special Deposit Account (SDA) rates by 25 bps to address the possible inflationary effects of the ongoing turmoil in the Middle East and Eastern Europe. Said events may lead to the increase in fuel that may lead to higher transportation costs and food prices.

Investor confidence remains high primarily by the upgrade in credit ratings by S&P from BBB- to BBB. Also, taking into consideration the positive outlook of the regional economies particularly China, Taiwan and South Korea.

In the absence of high yielding deposits and Government security outlets, investors tend to shift to Corporate and Bank offerings that would provide a more stable platform for at least five years. In the pipeline are upcoming issuance of RCBC, East West Bank and Security Bank (Tier 2 Notes), GT Capital Notes, SM Prime and Aboitiz Power Corp.

Investment Strategy

Sterling Bank of Asia Trust will continue to be on the look out for securities with higher returns. There are some opportunities on new corporate and bank issues. In the short-term, the Fund will be invested in the BSP Special Deposit Accounts (SDA) and certificates of time deposits.

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.