

BPI ASSET MANAGEMENT is backed by years of leadership in trust and investment management, with over PHP 440 Billion in total assets under management.

BPI Balanced Fund

November 30, 2009

Investment Objective

To achieve investment returns from a diversified portfolio of equities and fixed-income instruments.

Fund Performance

Absolute Returns	Fund	Benchmark*
Year-to-date	20.44%	32.99%
2008	-26.80%	-22.30%
2007	11.42%	12.54%
2006	26.31%	24.19%
2005	12.61%	11.22%

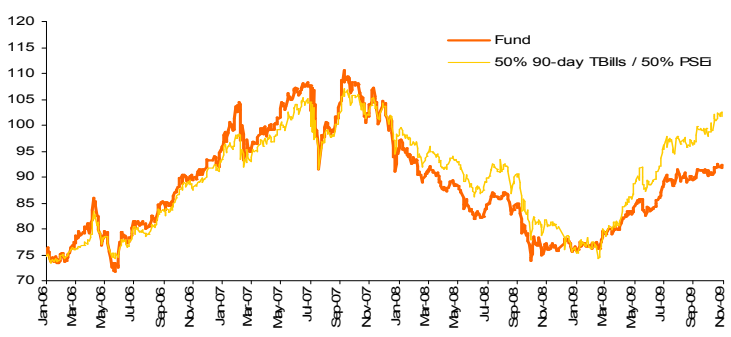
Returns are net of fees. Past Performance is not an indication of future returns.
 *50% 90-d TBills / 50% PSEi. Prior to 2009, benchmark was 50% 1-Year Tbills / 50% PSEi
 PSEi is a barometer of stock price movements in the Philippine Stock Exchange.

Fund Manager's Report

Local stocks gained another 4.7% this month, breaching the critical 3,000 resistance level, as market liquidity remained elevated and as corporate earnings surprised on the upside. Market participants turned to riskier assets for higher yields as local interest rates remained low. Corporate earnings for the first nine months of the year exceeded market expectations and grew more than 15% compared to last year. Despite the country's budget deficit in the first 10 months exceeding the FY2009 target of PHP 250Billion, investor sentiment remained upbeat as the global economy continued to show signs of recovery.

All sectors comprising the PSE index were in positive territory, with mining stocks gaining the most at 32% month-on-month, as gold prices surged to an all-time high. Investors turned to commodities as an alternative investment given the weakness of the US dollar. The local bourse is poised to register its best full-year performance since the Asian financial crisis, as year-end window dressing may further lift stock prices. Though we believe that the stock market needs to consolidate in the near-term to allow earnings to catch up with stock prices, we remain positive on the equities market as local monetary authorities may keep interest rates low at least for the next six months.

Net Asset Value Per Unit

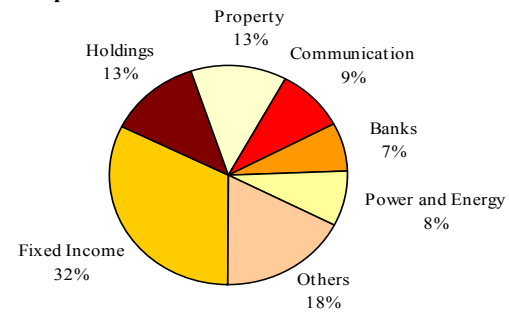


Net Asset Value, average for the quarter **Php 536.09 Million**
Net Asset Value, end-of-period **Php 527.63 Million**
NAV Per Unit (NAVpu) **Php 91.62**
Par Value **Php 100.00**

Risk Disclosure

The Fund is suitable for investors who take medium to long-term views. As a marked-to-market UITF, the Fund's net asset value, and total return may fall as well as rise as a result of stock prices and interest rates movements. On redemption of units, an investor may receive an amount less than the original amount of investment.

Portfolio Composition



Top 10 Equity Holdings

Equity Holding	% of Fund
Philippine Long Distance Tel. Company	8.6
Ayala Corporation	5.4
Philex Mining Corporation	4.3
Ayala Land, Inc.	3.9
Robinsons Land Corporation	3.7
First Philippines Holding Corporation	3.5
PNOC Energy Development Corporation	3.0
Metropolitan Bank and Trust Company	2.8
Banco de Oro Universal Bank	2.8
SM Prime Holdings Corporation	2.6

Any prospective investment shall be limited to the type of investments described in the Declaration of Trust for the Fund.

Risk Characteristics

Risk Measures	Past 12 Months			
	November 30, 2009	Lo	Hi	Average
Volatility, Past 360 Days	10.56%	7.29%	10.89%	10.16%
Information Ratio, Past 360 Days	-1.19			

Volatility measures the fluctuations in NAVpu. The higher the number, the higher the potential gain or loss. Information ratio evaluates reward-to-risk efficiency relative to the benchmark. The higher the number, the higher the reward per unit of risk.

Fund Facts

Structure	Unit Investment Trust Fund
Fund Type	Balanced Fund
Client Suitability	The fund is suitable for investors with at least a moderately aggressive risk profile
Base Currency	Philippine Peso
Minimum Investment	PHP 50,000.00
Minimum Additional	PHP 10,000.00
Minimum Holding Period	90 days
Early Redemption Fee	0.50%
Trust Fees	1.50% per annum 0.37% per quarter ¹
Custodianship Fees ²	0.001%
External Audit Fees ³	0.02%
Valuation Methodology	Mark-to-Market
Trustee	Bank of the Philippine Islands
Available Thru	Bank of the Philippine Islands Branches
Custodian	HSBC
External Auditor	Isla Lipana & Co.
Dealing	Daily up to 12 noon
Bloomberg Ticker	BPQEQL

¹Trust fees paid for the quarter as a percentage of average daily NAV for the quarter.

²Custodianship fees billed for the quarter as a percentage of average daily NAV for the quarter.

³External Audit fees as a percentage of end-year 2008 NAV.

BPI Balanced Fund is a Unit Investment Trust Fund (UITF) and not a bank deposit product. It is not guaranteed by BPI nor by the Philippine Deposit Insurance Corporation (PDIC). As such, units of participation of the investor in the UITF, when redeemed, may be worth more or worth less than his/her initial investment/contributions. 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. 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. For the purpose of lodging, clearing, settlement, and delivery of securities in the Fund, the Trustee is authorized to avail of the services of third party institutions such as but not limited to custodians which the Trustee may change or replace without prior notice to or approval from the investors. The Trustee will not be responsible for any loss or damage suffered by the Fund as a result of the third parties' willful default, gross negligence, or evident bad faith. Investors are advised to read the Declaration of Trust for the Fund, which may be obtained from the office of the Trustee, before deciding to invest. For inquiries, please call: (632) 845-5080, (632) 845-5087 or (632) 816-9053, email bpi_trust@bpi.com.ph or visit www.bpiexpressonline.com.