

Investment Objective

The Fund aims to achieve long term capital growth by investing in a diversified portfolio of equity and fixed income securities. The Fund aims to provide excess return over the composite benchmark, 50% Philippine Stock Exchange index (PSEi) and 50% return of the 91-day Treasury Bill, net of tax.

Figures as of 2/28/2013

Cumulative Performance (%)¹

	1 mo	1YR	3YRS	5YRS	S.I. ³
Fund	4.32	19.44	71.54	68.10	129.12
Benchmark ²	3.84	19.22	63.14	64.42	133.65

Annualized Performance (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. ³
Fund	19.44	18.19	19.71	19.68	10.95	11.19
Benchmark ²	19.22	18.55	17.72	23.68	10.46	11.33

Calendar Year Performance (%)¹

	YTD	2012	2011	2010	2009	2008
Fund	8.86	16.08	-0.72	37.39	20.27	-26.80
Benchmark ²	7.84	17.13	2.81	20.41	33.32	-22.30

¹Returns are net of fees. Past performance is not an indication of future returns.

²The Benchmark of the fund is 50% PSEI / 50% 91-d T-Bills. Prior to 2009, the Benchmark was 50% PSEI/50% 1-Year T-bills.

³ Since Inception

Key Figures and Statistics

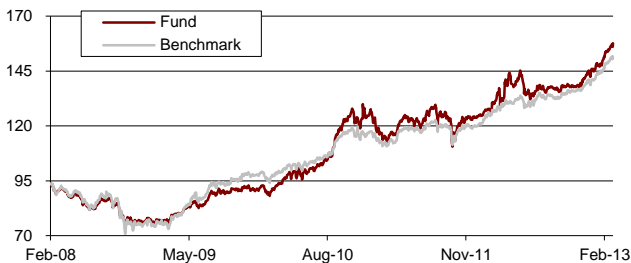
Net Asset Value per Unit (NAVPU)	PHP	157.68
Total Fund NAV (Mn)	PHP	1,492.34
Current Number of Holdings		27
Information Ratio ⁴		0.03
Sharpe Ratio ⁴		1.69

Statistics – Past 5 Years	Fund	Benchmark
Annualized Return (net)	10.95%	10.46%
Annualized Volatility (%)	12.01%	11.57%
Portfolio beta	1.03	

General Information

Launch Date	April 4, 2005	
Fund Structure	Unit Investment Trust Fund	
Fund Classification	Balanced Fund	
Fund Currency	Philippine Peso	
Minimum Initial Investment	PHP	10,000.00
Minimum Transaction	PHP	1,000.00
Minimum Holding Period	None	
Management/Trust Fee	1.50% per annum / 0.37% per quarter ⁵	
Custodianship Fees	0.005% per quarter ⁵	
External Audit Fees	0.01% ⁶	
Valuation Methodology	Marked-to-Market	
Special Expense ⁷	PHP 2,000.00 per annum	
External Auditor	Isla Lipana & Co.	
Available Through	BPI Branches www.bpiexpressonline.com	
Trustee	Bank of the Philippine Islands	
Third Party Custodian	HSBC, Ltd. (Philippines)	
Dealing Cut-Off	2:30 PM	

NAVPU Graph



Allocation

Portfolio Composition: Equities 66.69%, Fixed Income 10.70%, Cash and Other Receivables 22.61%

Top Equity Holdings

Name	Main Business	% of Fund
Ayala Corporation	Holding Firms	7.33%
Ayala Land, Inc.	Property	5.65%
Philippine Long Distance Tel. Company	Telecommunications	5.19%
DMCI Holdings, Inc.	Holding Firms	4.75%
Union Bank of the Philippines	Financials	4.05%

Top Bond Holdings

Name	Yield*	Maturity	% of Fund
Fixed Rate Treasury Notes 5.0000%	2.62%	08/18/2018	6.63%
Fixed Rate Treasury Notes 4.7500%	2.67%	07/19/2019	4.07%

Sector Holdings (Equity Portion)

Holding Firms	17.52%
Financials	16.45%
Property	8.81%
Industrials	8.42%
Telecommunications	7.30%
Food	5.10%
Mining	1.57%
Construction	1.51%

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

*Net of tax

Risk Disclosure

The Fund is suitable for investors with an aggressive risk profile or for those who have medium- to long-term views. Prior to investment in the Fund, the investor shall undergo a client suitability assessment procedure to determine whether the Fund is appropriate for him considering his investment objective, risk tolerance, preferences and experience. As a marked-to-market UITF, the Fund's net asset value and total return may fluctuate as a result of movements in stock prices and interest rates. On redemption of units, an investor may receive an amount less than the original amount of investment. Liquidity risk also needs to be taken into account.

⁴ The Information Ratio evaluates reward-to-risk efficiency relative to the benchmark, while the Sharpe Ratio evaluates reward-to-risk efficiency relative to the risk free rate. The higher the number, the higher the reward per unit of risk. Sharpe and Information Ratios between funds of different classifications are non-comparable.

⁵ Trust fees/custodianship fees/audit fees as a percentage of average daily NAV for the quarter.

⁶ External Audit fees as a percentage of the end-year NAV.

⁷ For publication expense.

* Plan rules are available upon request.

Manager's Report

Local Market Review: The local market sustained its upward momentum this February as the PSEi breached record highs yet again. Closing at 6,721, MoM performance came in at 7.7% bringing YTD performance to a rosy 15.6%. The market was buoyed by high liquidity on the local front coupled with strong interest from foreign investors. Additional liquidity came in at the end of January, as the BSP lowered SDA rates, freeing up investible funds. Moreover, foreign inflows remain strong, already exceeding USD813 million YTD – this already comprises a third of last year's USD 2.5 billion. Macroeconomic figures also contributed to the risk-on sentiment with GDP growth figures, released end of January, surprised on the upside (6.8% vs 6.3% consensus). Inflation was also mostly in line with expectations, coming in at 3.0% versus market expectations of 2.9%. Volume remained strong with daily turnover rising to USD236 million relative to January's USD224 million.

Property has been the clear outperformer this year, rising as much as 20.8% YTD due to historically low interest rates. SMDC has been the index's top performer, rising 45.5% YTD with MEG (+41.88% YTD) not far behind. Financials (+17.11% YTD) have also outperformed as Net Interest Margins (NIMs) and loan portfolios of market leaders continue to improve. Utilities on the other hand were mixed as MER and EDC rose amid expectations of increased power demand in the Philippines and EDC's BacMan plant finally beginning commercial operations. SCC on the other hand was sold down due to a mining accident resulting in a shutdown of operations.

Fund Performance: The Fund advanced by 4.32% during the month against its benchmark's 3.84% gain.

Strategy: The market's performance for the month of February could be a strong signal of what we are in store for the rest of the year. The PSEi is likely to reach 7100, a 22% rise from last year's close of 5,812. This is based on a projection of a 11-12% EPS growth and a PE multiple of 19X.

