

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 02/29/2012

Cumulative Performance (%)¹

	1 mo	1YR	3YRS	5YRS	S.I. ³
Fund	4.35	16.96	71.74	36.09	92.40
Benchmark ²	2.35	15.71	84.61	38.13	84.89

Annualized Performance (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. ³
Fund	16.96	19.84	19.76	8.92	6.36	9.93
Benchmark ²	15.71	15.13	22.67	7.71	6.67	9.30

Calendar Year Performance (%)¹

	YTD	2011	2010	2009	2008	2007
Fund	5.79	-0.72	37.38	20.28	-26.80	11.42
Benchmark ²	6.10	2.81	20.41	33.32	-22.30	12.06

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

² The 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	132.02
Total Fund NAV (Mln)	PHP	684.88
Current Number of Holdings		13
Information Ratio ⁴		0.17
Sharpe Ratio ⁵		1.09

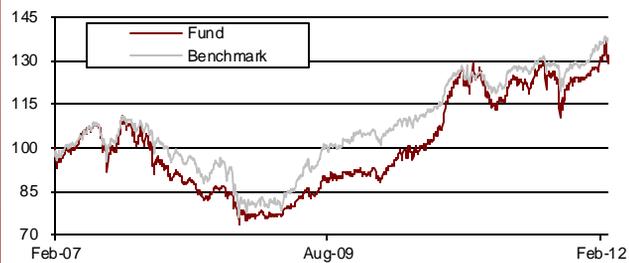
Statistics – Past 5 Years

Risk Characteristics	Fund	Benchmark
Annualized Return (net)	6.36%	6.67%
Annualized Volatility (%)	13.92%	12.89%
Portfolio beta	1.05	

General Information

Launch Date	April 4, 2005
Fund Structure	Unit Investment Trust Fund
Fund Classification	Balanced Fund
Fund Currency	Philippine Peso
Minimum Holding Period	90 calendar days
Minimum Initial Investment ⁶	PHP 10,000.00
Minimum Transaction ⁶	PHP 1,000.00
Early Redemption Fee	0.50%
Management/Trust Fee	1.50% per annum / 0.37% per quarter ⁶
Custodianship Fees	0.001% per quarter ⁶
External Audit Fees	0.01% ⁷
Valuation Methodology	Marked-to-Market
Special Expense ⁸	PHP 2,000.00 per annum
External Auditor	Isla Lipana & Co.
Receiving Banks	BPI Branches
Trustee	Bank of the Philippine Islands
Third Party Custodian	HSBC, Ltd. (Philippines)
Dealing Cut-Off	2:30 PM

NAVPU Graph



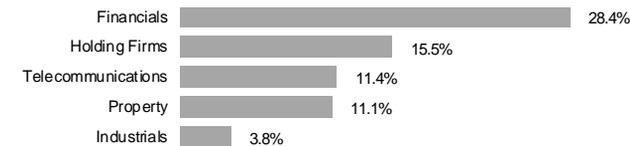
Allocation

Portfolio Composition: Equities 70.2%, Cash, Fixed Income and Other Receivables 29.8%

Top Equity Holdings

Name	Main Business	% of Fund
DMCI Holdings, Inc.	Holding Firms	11.59%
Philippine Long Distance Tel. Company	Telecommunications	11.44%
Union Bank of the Philippines	Financials	10.83%
Bank of the Philippine Islands	Financials	10.58%
Cebu Holdings, Inc.	Property	7.22%
The Philippine Stock Exchange	Financials	7.04%
GMA Holdings, Inc.	Holding Firms	3.87%
SM Prime Holdings, Inc.	Property	3.83%
Manila Water Company, Inc.	Industrials	3.75%

Sector Holdings (Equity Portion)



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

Risk Disclosure

The Fund is suitable for investors with an aggressive risk profile or for those who have medium- to long-term views. As a marked-to-market UTF, 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.

⁴The 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.

⁵Contribution rounded down/ redemption rounded off to the nearest whole unit.

⁶Trust fees/custodianship fees/audit fees as a percentage of average daily NAV for the quarter.

⁷External Audit fees as a percentage of the end-year NAV.

⁸For publication expense.

Manager's Report

Local Market Review: For the month of February, the Philippine Stock Exchange index continued to push to all-time highs, closing the month at 4,897.65, up by 4.6%. The local index almost closed above the 5,000 mark on February 20, as it closed at 4,943. Positive news locally and abroad buoyed the market, stoking busier trading days as the average daily turnover increased by 29% to US\$178 million. Encouraging global developments resulted to another surge of foreign net buying amounting to US\$150 million. Easing monetary policy in China, better employment and housing figures in the US, and improving efforts in alleviating the European debt crisis improved investor confidence. Locally, the government showed effort for further growth stimulation. The Bangko Sentral ng Pilipinas lowered the reserve requirement from 21% to 18%. Furthermore, the BSP decreased its benchmark interest rate from 4.25% to 4.00%. The government's growth target for this year is at 5-6% on the back of higher government spending. In addition, Moody's stated that the Philippines is a candidate for another rating upgrade, citing that a "ratings momentum" could occur due to the government's continued efforts in reforming the economy, mitigating corruption, and accumulating private and public sector investments. Top movers for the month were ALI(+14.65%), AEV(+13.03%), AC(+10.77%), BPI(+9.17%), and BDO(+8.44%).

Fund Performance: The Fund returned 4.35% for the month, outperforming its benchmark by 2.00%.

Strategy: We expect the market to take a breather for the next month as rising valuations may strain the market's momentum. 2011 full-year earnings results to be released next month could support share prices. We are confident with the property sector as demand for real-estate is seen to be intact with the steady flow of remittances from abroad. The FY2011 remittance figure reached US\$20 billion, up by 7.22%. The financial sector is also expected to outperform the market as the low interest rate regime could improve the banks' profit margins.

