

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 09/28/2012

Cumulative Performance (%)¹

	1 mo	1YR	3YRS	5YRS	S.I. ³
Fund	0.52	17.93	53.57	32.46	101.17
Benchmark ²	1.49	17.69	48.90	32.54	98.17

Annualized Performance (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. ³
Fund	17.93	8.16	15.37	13.22	5.78	9.78
Benchmark ²	17.69	8.16	14.19	12.42	5.80	9.56

Calendar Year Performance (%)¹

	YTD	2011	2010	2009	2008	2007
Fund	10.62	-0.72	37.38	20.28	-26.80	11.42
Benchmark ²	11.73	2.81	20.41	33.32	-22.30	12.06

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

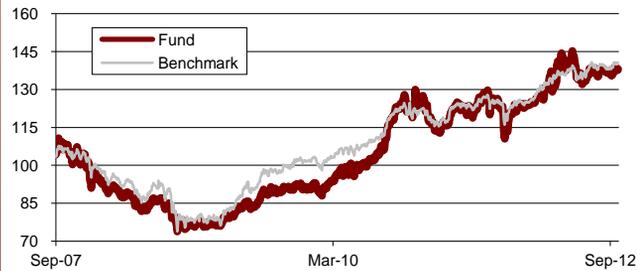
Net Asset Value per Unit (NAVPU)	PHP	138.04
Total Fund NAV (Mln)	PHP	873.30
Current Number of Holdings		18
Information Ratio ⁴		0.03
Sharpe Ratio ⁴		1.25

Statistics – Past 5 Years	Fund	Benchmark
Annualized Return (net)	5.78%	5.80%
Annualized Volatility	12.98%	12.10%
Portfolio beta	1.06	

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.	
Receiving Banks	BPI Branches	
Trustee	Bank of the Philippine Islands	
Third Party Custodian	HSBC, Ltd. (Philippines)	
Dealing Cut-Off	2:30 PM	

NAVPU Graph



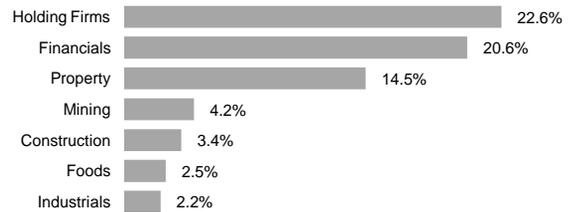
Allocation

Portfolio Composition: Equities 70.1%, Cash, Fixed Income and Other Receivables 29.9%

Top Equity Holdings

Name	Main Business	% of Fund
DMCI Holdings, Inc.	Holding Firms	10.40%
Ayala Corporation	Holding Firms	7.75%
Union Bank of the Philippines	Financials	7.68%
Bank of the Philippine Islands	Financials	7.42%
Cebu Holdings, Inc.	Property	7.24%
GT Capital Holdings, Inc.	Holding Firms	4.49%
Semirara Mining Corporation	Mining	4.19%
SM Prime Holdings, Inc.	Property	4.03%
The Philippine Stock Exchange, Inc.	Financials	3.69%
Megawide Construction Corporation	Construction	3.44%

Sector Holdings (Equity Portion)



Any prospective investment 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. 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 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.

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.

Manager's Report

Local Market Review: For the month of September, the Philippine Stock Exchange index (PSEi) gained 2.9% and subsequently closed at the 5,346.10 level on the back of stronger liquidity flows. Total value traded for the month was higher at Pphp94.10 billion, 7.8% more than the prior month. September started with light trading, then picked up on the last week as investors gained confidence from the US Federal Reserve's announcement of further monetary easing. Foreign investors went back to being net buyers with an inflow of US\$83 million during the month, generating a cumulative foreign net buy of US\$1.6 billion for the first nine months of the year.

Investors retained their interest in the Philippine banking sector as loan books grew by an average of 16% year-on-year. BDO (+6.3% MoM), BPI (+6.4% MoM), and SECB (+13.1% MoM) outperformed the banking sector as a whole which returned 5.7% during the month. Improving consumer confidence also continued to create a steady demand for consumer stocks. The consumer sector largely outperformed the market, returning 8.1% MoM. Top performers of the sector were PIP (+12.8%) and URC (+14.3%).

Fund Performance: The Fund returned 0.52% during the month against its benchmark's 1.49%. Year-to-date, the Fund is up 10.62%.

Strategy: We are keeping our year-end PSEi target of 5,500 due to several positive factors which we expect to be in play for the last quarter of the year. The Bangko Sentral ng Pilipinas (BSP) is expected to keep the benchmark interest rate steady at a record low of 3.75% to remain supportive of domestic growth. Investors could continue to take more positions in the market as 3rd quarter earnings results set to be released by November are expected to remain robust. This could also prompt investors to start positioning for 2013. Further developments in the Public-Private Partnership Projects (PPP) could also provide further support for the infrastructure sector, and indirectly to local banks which would take the lead in financing these projects.

