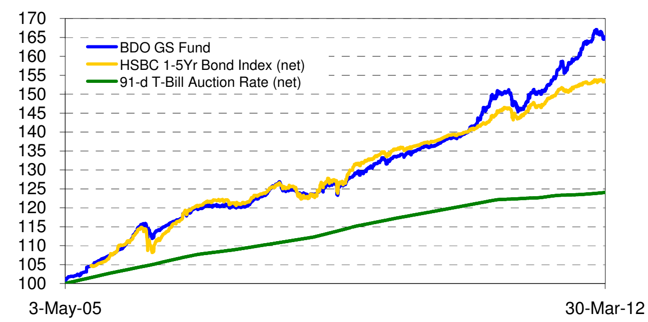
BDO Trust and Investments Group
BDO GS Fund
1st Quarter 2012 Performance Report

INVESTMENT OBJECTIVE
The Fund aims for capital preservation and income generation from investments in a diversified portfolio consisting of selected government securities that can provide higher yields.

CLIENT SUITABILITY
The Fund is suitable for individual and corporate investors with moderate risk appetite and who are looking for investments that have moderate risks. In order to minimize risks and maximize earning potential, participants/trustors are recommended to stay invested in the Fund for at least three (3) years.

ALLOWABLE / PROSPECTIVE INVESTMENTS
The following are the investment outlets where the Trustee may invest the Fund in, depending on their availability or other market circumstances: Securities issued or guaranteed by the Philippine Government or the BSP, deposits in trustee's bank or in other banks and collective investment plans of the trustee/other trustees that are invested in securities issued or guaranteed by the Philippine Government or the BSP. The Fund may also avail itself of financial derivative instruments solely for the purpose of hedging risk exposures, subject to the guidelines set by the BSP for such activities and likewise duly approved by the Trustee's Trust Committee.

NAVPU vs. Benchmark & Alternative Investment


FUND PERFORMANCE *(Absolute Return, net of tax and fees)*

Period	BDOGS[1]	Benchmark[2]	Risk-Free Rate[3]
One Month Ago	-0.74%	0.05%	0.15%
Three Months Ago	0.76%	0.27%	0.38%
Year to Date	0.76%	0.27%	0.38%
One Year Ago	11.51%	5.59%	1.25%
Three Years Ago	26.43%	15.75%	7.02%
Five Years Ago	37.07%	25.94%	14.61%
Since Inception	65.19%	53.64%	24.06%

[1] Past performance is not indicative of future performance.
[2] The Fund's benchmark is the HSBC 1-5Yr Bond Index, commencing Aug. 31, 2005
[3] The estimated return on the risk-free rate refers to the compounded daily return of the latest auctioned 91-day T-Bill, adjusted for tax.

PORTFOLIO STATISTICS

	Dec 29, 2011	Mar 30, 2012
Weighted Ave. Duration	4.60	4.97
Volatility, Past One Year[4]	3.65%	3.09%
Sharpe Ratio[5]	2.13	3.32
Information Ratio[6]	1.39	2.32
Weighted Ave. Yield (net[7])	2.74%	2.86%

[4] Volatility measures the degree to which the Fund fluctuates vis-à-vis its average return over a period of time.
[5] Sharpe Ratio is used to characterize how well the return of a Fund compensates the investor for the level of risk taken. The higher the number, the better.
[6] Information Ratio measures reward-to-risk efficiency of the portfolio relative to the benchmark. The higher the number, the higher the reward per unit of risk.
[7] Net of taxes and trust fees

BEST PERFORMANCE (Past five years)

Inclusive Dates		Biggest Gain	No. of days to achieve
7/11/2007	2/17/2012	39.30%	1,682 days

MAXIMUM DRAWDOWN AND RECOVERY IN NAVpus[8] (Past five years)

Maximum Drawdown Period		Biggest Loss	Recovery Period (days)
1/4/2011	2/17/2011	-3.81%	74 days

[8] Maximum Drawdown is the maximum percentage loss that a fund incurs over a time period.
Maximum Drawdown Period is the length of time the maximum drawdown occurs.
Recovery Period is the length of time taken by a fund to surmount its maximum drawdown.

SPECIAL REIMBURSABLE EXPENSES

Nature of Expense	Name of Third Party	Expense Ratio[9]
Custodianship	Deutsche Bank	0.0073%
Financial Info Service	Bloomberg/Reuters	0.0013%
Audit Fees	Punongbayan & Araullo	0.0011%

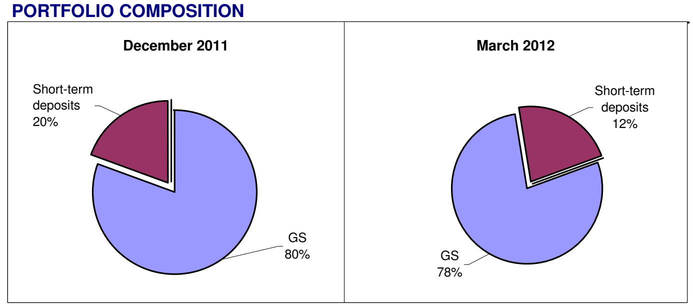
[9] Ratio of expense to the quarter's average daily NAV of the Fund valued at Php 1.227 Billion.

OTHER FUND FACTS

Bloomberg Ticker	EPCIBGS <Index>
Fund Type	Medium Term Bond Fund
Inception Date	May 3, 2005
Net Asset Value (NAV)	Php 1.387 Billion
NAV per unit (NAVPU)[10]	Php 165.1858
Par Value	Php 100.00
Minimum Investment	Php 100,000.00
Minimum Additional	Php 100,000.00
Minimum Holding Period	30 calendar days
Early Redemption Fee	0.50% of Original Participation Amount
Trust Fee (TF)	1.00% p.a.
TF as Expense Ratio	0.2493%
Custodian	Deutsche Bank AG, Manila Branch
Dealing Period	Up to 12:00 nn. of any banking day
Settlement Period	One (1) banking day after notice of redemption is received

[10] The NAVPU of the Fund shall be computed every trading day at 7 p.m.

FUND MANAGER'S STRATEGY
The domestic debt market saw two-way action during the first quarter of the year as the BSP joined other central banks in the region in lowering interest rates to counter the effects of a slowdown in the global economy. This caused bond prices to rally as more liquidity was out to chase yields, helping the long end of the curve to reach all time lows. The situation reversed however, after the Bureau of Treasury issued new 15- and 20- year RTBs with yields at 25-50 bps higher than secondary market rates. Increasing local pump prices also aided in the rise of interest rates despite actual inflation registering a low of 2.7% in February. The Fund Manager took profits on belly tenors and shifted proceeds to the long-end of the curve during the quarter as the prevailing sentiment remain bullish on the local bond market and any correction is an opportunity to buy.

PORTFOLIO COMPOSITION


TOP TEN HOLDINGS[11]

Issue	Coupon Rate	Maturity	% of Portfolio
FXTN	8.0000%	07/19/31	6.66%
TD - OWN BANK	4.7500%	04/11/12	5.80%
FXTN	6.3750%	01/19/22	5.50%
TD - OWN BANK	4.5000%	04/13/12	4.71%
FXTN	7.0000%	03/31/17	4.67%
RTB	6.6250%	08/19/17	4.47%
TD - OWN BANK	4.7500%	04/13/12	3.99%
TD - OTHER BANKS	4.2500%	05/30/12	3.92%
RTB	5.8750%	03/01/32	3.62%
RTB	6.5000%	10/20/21	3.48%

[11] The complete list of portfolio holdings is available upon request