

INVESTMENT OBJECTIVE

The Fund aims to preserve capital and generate income for tax exempt entities from medium to long-term fixed-income securities with a portfolio weighted average life of not more than five (5) years.

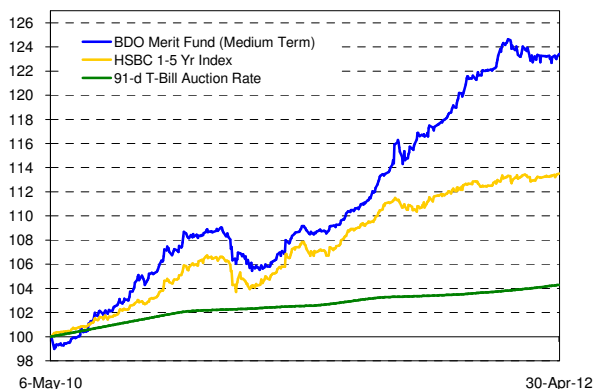
CLIENT SUITABILITY

The Fund is suitable for retirement plans with moderate risk profiles looking for higher yields and are willing to take attendant risks that come with portfolios that may have investments with longer tenors. Only tax-exempt Retirement Plans which are deemed reasonable private benefit plans by the Bureau of Internal Revenue (BIR) may participate. In order to minimize risks and maximize earning potential, participants 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: Deposits in the trustee's bank or in other banks, securities issued or guaranteed by the Philippine Government or the BSP, tradable securities issued by any supranational entity, exchange-listed fixed income securities, marketable fixed income securities such as but not limited to commercial papers, bonds and preferred shares, that are traded in an organized exchange, loans traded in an organized market, financial derivatives instruments solely for the purpose of hedging risk exposures of the existing investments of the Fund, other collective investment plans of the trustee/other trustees and such other tradable investment outlets/categories allowed for UITFs by BSP and approved by the Trustee's Trust Committee as suitable for the Fund.

NAVPU vs. Benchmark & Alternative Investment



OTHER FUND FACTS

Bloomberg Ticker	EPCIBME <Index>
Fund Type	Tax-Exempt Medium Term Bond Fund
Inception Date	May 6, 2010
Net Asset Value (NAV)	Php 105.077 Million
NAV per unit (NAVPU) ⁹	Php 123.4136
Par Value	Php 100.00
Minimum Investment	Php 1,000.00
Minimum Additional	Php 1,000.00
Minimum Holding Period	None
Early Redemption Fee	None
Trust Fee	0.825% p.a.
Availability	For tax-exempt trust accounts with full management discretion
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

⁹ The NAVPU of the Fund shall be computed every trading day at 7 p.m.

FUND PERFORMANCE (Absolute Return, net of fees)

Period	BDOMERB ¹	Benchmark ²	Risk-Free ³
One Month Ago	0.07%	0.24%	0.21%
Three Months Ago	0.86%	0.73%	0.54%
Year to Date	1.48%	0.58%	0.68%
One Year Ago	13.07%	5.26%	1.71%
Since Inception	23.41%	13.50%	4.29%

¹ Past performance is not indicative of future performance.
² The Fund's benchmark is the HSBC 1-5 Yr Bond Index commencing May 7, 2010.
³ The estimated return on the risk-free rate refers to the compounded daily return of the latest auctioned 91-day T-Bill.

FUND MANAGER'S STRATEGY

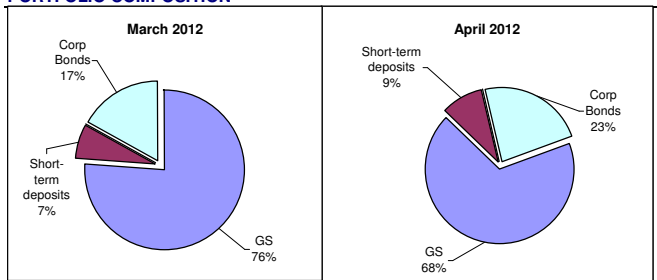
Peso yields remained dormant for most of the month as data and recent developments failed to lift the market from support levels. During the month, the Bangko Sentral ng Pilipinas (BSP) paused from relaxing monetary policy as export, remittance, and government expenditure data pointed to better GDP figures. Other developments keeping yields at bay and practically leaving most investors on the sidelines were higher yielding corporate issuances which siphoned funds away from government securities and the uncertainty surrounding the extent of domestic funding that the Bureau of Treasury is contemplating. As top corporate papers were offered at a premium (+100 to 175 basis points spread), the Fund Manager increased the fund's exposure to corporate issuances.

PORTFOLIO STATISTICS

	Mar 30, 2012	Apr 30, 2012
Weighted Ave. Duration	4.98	4.86
Volatility, Past One Year ⁴	3.25%	3.24%
Sharpe Ratio ⁵	4.21	3.51
Information Ratio ⁶	2.64	2.45
Weighted Ave. Yield (net ⁷)	4.32%	4.35%

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 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

PORTFOLIO COMPOSITION



BEST PERFORMANCE (Past five years)

Inclusive Dates	Biggest Gain	No. of days to achieve
5/11/2010	25.92%	647 days

MAXIMUM DRAWDOWN AND RECOVERY IN NAVpus⁸ (Past five years)

Maximum Drawdown Period	Biggest Loss	Recovery Period (days)
1/4/2011	-3.32%	71 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.

TOP TEN HOLDINGS¹⁰

Issue	Coupon Rate	Maturity	% of Portfolio
PSALM ¹¹	7.7500%	04/22/17	16.91%
FXTN ¹¹	8.0000%	07/19/31	9.60%
FXTN ¹¹	6.2500%	12/16/35	8.38%
TD - OTHER BANKS ¹¹	4.3750%	07/11/12	8.08%
San Miguel Bond 2022 ¹¹	6.6000%	04/02/22	6.73%
FXTN ¹¹	7.0000%	01/27/16	5.28%
RTB ¹¹	6.6250%	08/19/17	5.23%
RTB ¹¹	9.0000%	07/31/13	5.19%
JG Summit Bond 2014	8.2500%	11/20/14	5.12%
RTB ¹¹	5.8750%	08/19/15	5.11%

¹⁰ The complete list of portfolio holdings is available upon request

¹¹ Tax-exempt securities