

INVESTMENT OBJECTIVE

The Fund aims to achieve capital appreciation over the medium-term by investing primarily in equities and to some extent in fixed-income securities, the allocation of which shall be determined by the Trustee depending on market conditions.

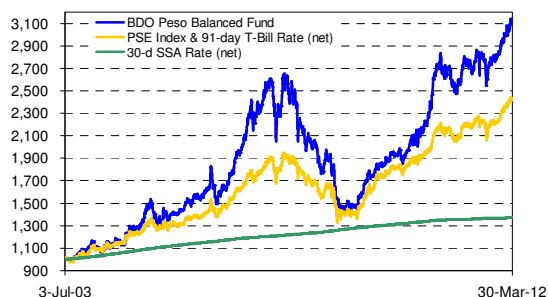
CLIENT SUITABILITY

The Fund is suitable for individual and corporate investors with balanced risk appetite and who are aware of the opportunity for high yields that portfolios with stock market investments may provide but are also knowledgeable of the possibility of capital losses that such investments may entail. In order to minimize risks and maximize earning potential, participants/trustors are recommended to stay invested in the Fund for more than 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: Exchange-listed equities and fixed income securities, 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, 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. 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



OTHER FUND FACTS

Bloomberg Ticker	BDOPBAL <Index>
Fund Type	Balanced Fund
Inception Date	July 3, 2003
Net Asset Value (NAV)	Php 1.466 Billion
NAV per unit (NAVPU) ¹¹	Php3,139.1659
Par Value	Php 1,000.00
Minimum Investment	Php10,000.00
Minimum Additional	Php10,000.00
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	0.2495%
Custodian	Standard Chartered Bank Philippine Depository & Trust Corp.
Dealing Period	Up to 12:00 mn. of any banking day
Settlement Period	Four (4) banking days after notice of redemption is received
Others	Available via the Easy Investment Plan (EIP), which allows the build up of funds through regular participation of at least P1,000 per contribution.

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

Period	BDOPBAL ¹	Benchmark ²	Risk-Free Rate ³
One Month Ago	3.50%	2.23%	0.15%
Three Months Ago	10.78%	8.47%	0.38%
Year to Date	10.78%	8.47%	0.38%
One Year Ago	20.64%	13.93%	1.25%
Three Years Ago	103.48%	67.93%	7.02%
Five Years Ago	36.35%	39.07%	14.61%
Since Inception	213.92%	143.48%	37.25%

¹ Past performance is not indicative of future performance.
² The Fund's benchmark is the average of the PSEI and the latest auctioned 91-day T-Bill, adjusted for tax.
³ The estimated return on the risk-free investment refers to the Bloomberg Ave. 30-day Special Savings rate.

¹¹ The NAVPU of the Fund shall be computed every trading day at 7:00 p.m.

FUND MANAGER'S STRATEGY

The first quarter of 2012 was clearly driven by optimism on the local equity market as foreign inflows came to push the market into all time highs --something which we have not seen since before the 2008 crash. High domestic and foreign liquidity, coupled with declining interest rates, were the key drivers for the market run we saw in 1Q12 as the index grew by 16.83% for the period. Meanwhile the fixed income market ended flat for the period as the early gains on bond prices in January and February was quickly taken out with the recent increase in oil prices and its possible effects on inflation. While the market may enter into a near term consolidation, this is viewed as a correction within the bull trend which began in the 4th Quarter of 2011. The Fund Manager believes that any short-term weakness at market support levels should be taken as an opportunity to reposition into the market, as the outlook remains positive over the long term. Because of this, the Fund will maintain an overweight position on equities at 70% to 80% of the fund.

PORTFOLIO STATISTICS

	Dec 29, 2011	Mar 30, 2012
Volatility, Past One Year ⁴	13.74%	13.14%
Sharpe Ratio ⁵	0.25	1.48
Information Ratio ⁶	0.22	1.14

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.

BEST PERFORMANCE (Past five years)

Inclusive Dates	Biggest Gain	No. of days to achieve
10/27/2008 - 3/29/2012	127.61%	1249

MAXIMUM DRAWDOWN AND RECOVERY IN NAVpus⁷ (Past five years)

Maximum Drawdown Period	Biggest Loss	Recovery Period (days)
10/15/2007 - 10/27/2008	-47.97%	700

⁷ 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.

PORTFOLIO COMPOSITION

	Dec 29, 2011	Mar 30, 2012
Equity securities	71.60%	76.94%
Government securities	3.91%	3.48%
Corp bonds	12.94%	7.19%
Short-term deposits ⁸	11.55%	12.39%
IOSDI ⁹	0.00%	0.00%

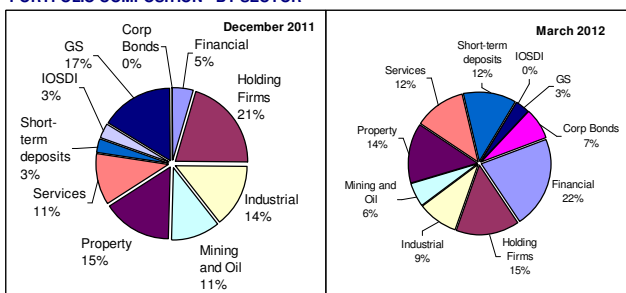
⁸ Includes BSP Special Deposit Account (SDA)
⁹ Investment in other securities and debt instruments

SPECIAL REIMBURSABLE EXPENSES

Nature of Expense	Name of Third Party	Expense Ratio ¹⁰
Custodianship	Deutsche Bank AG Manila	0.0044%
Financial Info Service	Bloomberg/Reuters	0.0023%
Audit Fees	Punongbayan & Araullo	0.0012%

¹⁰ Ratio of expense to the quarter's average daily NAV of the Fund valued at PHP 1.350Billion.

PORTFOLIO COMPOSITION - BY SECTOR



TOP TEN HOLDINGS¹²

Equities			
Company Name	Ticker	Last Price	% of Portfolio
PLDT Co	TEL	2,700.00	8.77%
BPI Bank	BPI	74.00	5.88%
Citiseconline	COL	22.60	4.82%
Banco de Oro	BDO	66.20	4.38%
JG Summit	JGS	30.50	4.33%
SM Prime	SMPH	16.90	4.01%
Robinson Land	RLC	16.50	3.69%
Ayala Land	ALI	20.75	3.41%
Fixed Income			
Issue	Coupon Rate	Maturity	% of Portfolio
CORP BOND	8.46%	5/18/2015	7.19%
FXTN	6.25%	1/27/2014	3.48%

¹² The complete list of portfolio holdings is available upon request.