

INVESTMENT OBJECTIVE

The Fund aims to provide a high level of income with preservation of capital and maintenance of liquidity by investing in a combination of short to long-term fixed-income

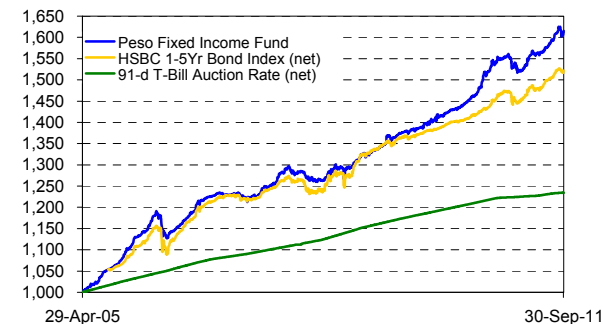
CLIENT SUITABILITY

The Fund is suitable for risk-tolerant individual and corporate investors who are looking for higher yields and are willing to take the attendant risks that come with portfolios that may have investments with longer tenors. 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: 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, 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



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

Period	BDOPFIF ¹	Benchmark ²	Risk-Free Rate ³
One Month Ago	0.21%	-0.16%	0.04%
Three Months Ago	2.77%	1.89%	0.35%
Year to Date	3.70%	3.45%	0.86%
One Year Ago	6.17%	5.94%	1.34%
Three Years Ago	25.25%	19.17%	8.69%
Five Years Ago	37.00%	30.38%	15.94%
Since Inception	61.66%	52.25%	23.54%

¹ Past performance is not indicative of future performance.
² The Fund's benchmark is the HSBC 1-5 Yr 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

	Jun 30, 2011	Sep 30, 2011
Weighted Ave. Duration	3.65	4.86
Volatility, Past One Year ⁴	3.01%	3.07%
Sharpe Ratio ⁵	2.08	1.57
Information Ratio ⁶	0.95	0.09
Weighted Ave. Yield (net ⁷)	3.53%	3.48%

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	
9/27/2006	9/13/2011	37.89%	1,812 days

MAXIMUM DRAWDOWN AND RECOVERY IN NAVpus⁸ (Past five years)

Maximum Drawdown Period	Biggest Loss	Recovery Period (days)	
1/28/2008	6/10/2008	-2.85%	92 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	Standard Chartered/Deutsche E	0.0050%
Financial Info Service	Bloomberg/Reuters	0.0020%
Audit Fees	Punongbayan & Araullo	0.0000%

⁹ Ratio of expense to the quarter's average daily NAV of the Fund valued at Php 2.252 Billion.

OTHER FUND FACTS

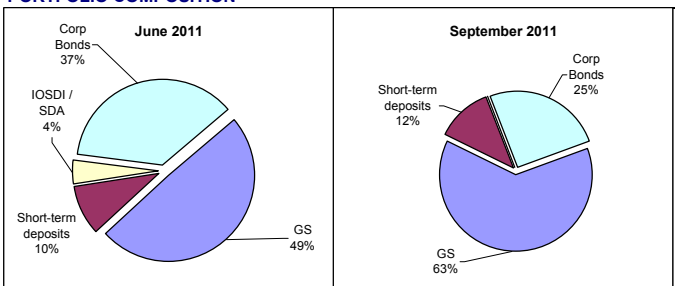
Bloomberg Ticker	BDOPFIF <Index>
Fund Type	Medium-Term Bond Fund
Inception Date	April 29, 2005
Net Asset Value (NAV)	Php 1,615.0133
NAV per unit (NAVPU) ¹⁰	Php 1,615.0133
Par Value	Php 1,000.00
Minimum Investment	Php 10,000.00
Minimum Additional	Php 10,000.00
Minimum Holding Period	30 calendar days
Early Redemption Fee	0.50% of Original Participation Amount
Trust Fee (TF)	1.00% p.a.
TF as Expense Ratio	0.2491%
Custodian	Standard Chartered Bank
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 local bond market posted gains early in the quarter on the back of strong fundamentals: Slowing inflation, minimal budget deficit and a still-elevated SDA level at P1.63 trillion – all indicative of higher bond prices. The addition of the new 20-year bond likewise improved liquidity at the long-end of the yield curve. However, this rally was not sustained as the onset of very negative sentiment on the global front resulted in a sell-down by foreign investors in the bond market. Viewing the resulting spike in rates as temporary, the Fund Manager increased the duration for the PFIF as the long-term view is still positive for the bond market. The PFIF's absolute year-to-date return

PORTFOLIO COMPOSITION



TOP TEN HOLDINGS¹¹

Issue	Coupon Rate	Maturity	% of Portfolio
FXTN	8.0000%	07/19/31	9.70%
TD - OWN BANK	4.7500%	10/11/11	9.14%
EDC Bond 2015	8.6418%	06/04/15	5.76%
FXTN	7.0000%	03/31/17	5.74%
FXTN	6.5000%	04/28/21	5.32%
FXTN	5.0000%	08/18/18	5.10%
FXTN	11.8750%	08/25/15	4.91%
RTB	6.6250%	08/19/17	4.54%
PNB Tier 2 2021	6.7500%	06/15/21	4.27%
JG Summit Bond 2014	8.2500%	11/20/14	3.71%

¹¹ The complete list of portfolio holdings is available upon request