

UnionBank Trust and Investment Services Group

UBP Large Capitalization Philippine Equity Portfolio
as of February 28, 2011

Investment Objective

The UnionBank Large Capitalization Philippine Equity Portfolio is a peso-denominated fund that seeks long-term capital growth by investing in a diversified portfolio of primarily large capitalization stocks listed in the Philippine Stock Exchange.

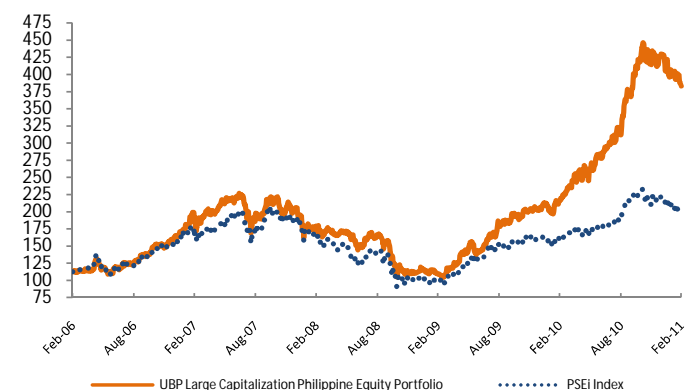
Fund Performance

Calendar Absolute Returns*	Large Cap	PSEI Index
YTD	-10.85%	-10.34%
2010	109.32%	37.62%
2009	85.00%	62.99%
2008	-44.93%	-48.29%
2007	23.49%	21.43%
2006	51.40%	42.29%
Cumulative Annualized Returns*	Large Cap	PSEI Index
3 Years	28.91%	6.36%
5 Years	27.79%	12.01%

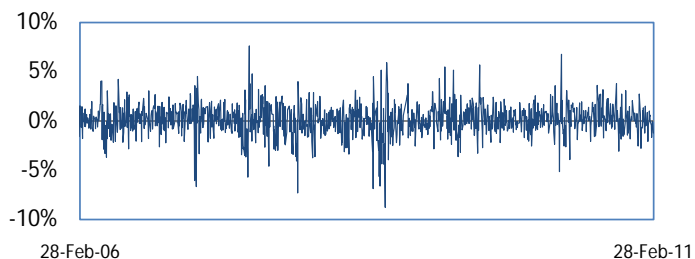
*Returns are reported Net of Fees.

Net Asset Value, end-of-period: Php 1.335 Billion
Bid NAV Per Unit (NAVpu) Php 380.090324
Offer NAV Per Unit (NAVpu) Php 389.451023

Net Asset Value per Unit



Daily Percentage Change of NAVpu



Risk Characteristics:

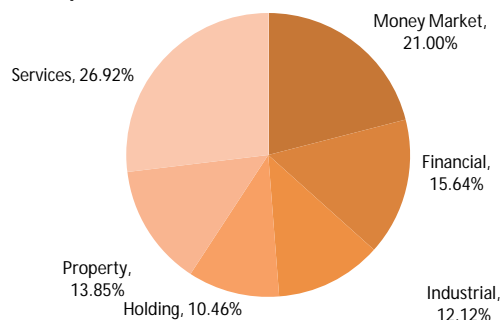
One day VAR at 3σ:	3.69%
Volatility, Past 360 Days:	23.21%
PSEI Index, Volatility Past 360 days:	17.37%
Sharpe Ratio:	3.71

Volatility is a measure of fluctuation of the NAVpu. Higher volatility means higher potential for gains or loss. Duration measures the sensitivity of the portfolio to interest rate movements. The higher the duration, the more the NAVpu will change with interest rate fluctuation. The Sharpe Ratio is a measure of risk-adjusted return. The higher the Sharpe, the higher the return per unit of risk. Risk-free rate used to compute the Sharpe ratio is the 1yr TBILL rate.

Fund Manager's Report

The PSEI index ended at 3,7666.73 and lost 3% in the month of February on risk aversion, inflation concerns, and unrest in the Middle East and North Africa (MENA). Funds continued to flee the emerging markets causing the PSEI to underperform the developed market indices. Foreigners remained net sellers in February. Total foreign outflow for the month amounted to USD81 million. Volume remained thin as buyers anticipate lower stock prices ahead. Concerns on inflation were exacerbated by developments in MENA. Inflation for January inched up to 3.5% from the 3% recorded in December. Investors remain concerned on the possible pass through effects of higher fuel prices if the situation in MENA deteriorates.

Portfolio Composition



Holdings

Unionbank	15.64%
Megaworld	13.85%
ICTSI	13.72%
GMA Network	13.20%
Universal Robina Corporation	12.12%
Alliance Global	10.46%
CASH	21.00%

Fund Facts

Classification:	Long-term Philippine Equity Fund
Launch Date:	March 01, 2005
Client Suitability:	Moderately aggressive risk to Aggressive risk tolerance
Base currency:	Philippine Peso
Initial Investment:	Php 100,000
Minimum Additional Investment:	Not Applicable
Minimum Holding Period:	90 calendar days
Settlement Period:	Four (4) Banking days after initial notice
Early Redemption Charge:	0.25% or Php 500 whichever is higher
Trust Fees:	2% per annum
Custodianship Fees:	0.02% per annum
Applicable Tax:	20% on interest income 0.5% on equity sales
Custodian:	HSBC, Ltd Philippines
External Auditor:	Punong-bayan & Araullo
Dealing Time:	Daily up to 12noon
Available Thru:	Unionbank of the Philippines branches
Bloomberg Ticker:	IFDLCP
* All fees are accrued daily against the fund's Net Asset Value. Complete list of holdings available upon request	

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