

UnionBank Trust and Investment Services Group

UBP Large Capitalization Philippine Equity Portfolio
as of Aug 31, 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.

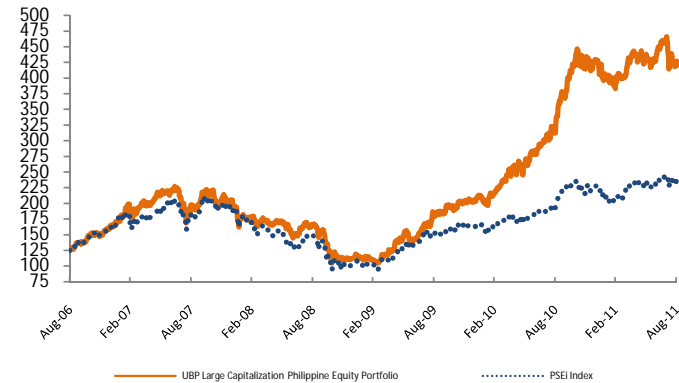
Fund Performance

Calendar Absolute Returns*	Large Cap	PSEI Index
YTD	-2.35%	3.51%
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	36.11%	17.41%
5 Years	27.36%	13.46%

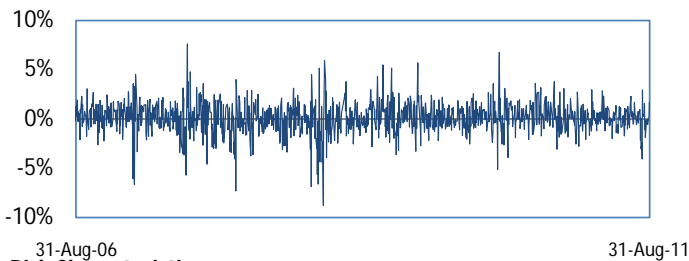
*Returns are reported net of fees.

Net Asset Value, end-of-period: Php 992.847 Million
Bid NAV Per Unit (NAVpu) Php 415.178998
Offer NAV Per Unit (NAVpu) Php 423.853177

Net Asset Value per Unit



Daily Percentage Change of NAVpu



Risk Characteristics:

One day VAR at 3σ:	3.09%
Volatility, Past 360 Days:	19.45%
PSEI Index, Volatility Past 360 days:	16.95%
Sharpe Ratio (Risk Free Rate = 3.62%):	1.59

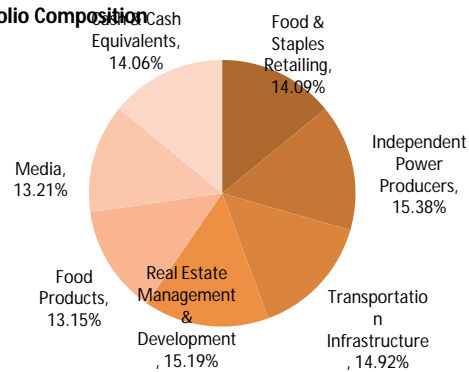
Volatility is a measure of fluctuation of the NAVpu. Higher volatility means higher potential for gains or loss. Duration measures the sensitivity of the portfolio to interest rate movements. The higher the duration, the more the NAVpu will change with interest rate fluctuation. The Sharpe Ratio is a 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 Philippine Stock Exchange Index (PSEI) closed at 4348.50, dropping 201 points or 4.4% percent month-on-month. The market remained weak due to the continuing problems in Europe and fears of a double dip recession in the US. The US Non-farm payrolls were unchanged in August. The data was lower than the 53,000 gain expected by economists and the weakest performance since a decline in September 2010. This over-all negative sentiment in global markets has further weakened the local market and might persist in the short term. Average daily turnover was higher from the previous month, with foreigners selling more than they are buying.

The Philippine economy grew a rate of 3.4 percent, lower than the 8.9 percent recorded in the same period last year. The lower-than-expected growth could be attributed to the under spending of the government, sluggish foreign trade and to the delays in the much needed Public-Private Partnership projects. The budget deficit from January to June was only Php17.2Bn, the lowest in over a decade and 90 percent lower than the deficit registered in the same period last year. Inflation remained manageable in July at 4.6 percent.

Portfolio Composition



Top 5 Holdings

First Gen Corp	15.38%
Megaworld	15.19%
ICTSI	14.92%
Alliance Global	14.09%
GMA Network	13.21%

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:	IFDLCPPE

* All fees are accrued daily against the fund's total market value.
Complete list of holdings available upon request

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