

## UnionBank Trust and Investment Services Group

UBP Large Capitalization Philippine Equity Portfolio as of November 29, 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.

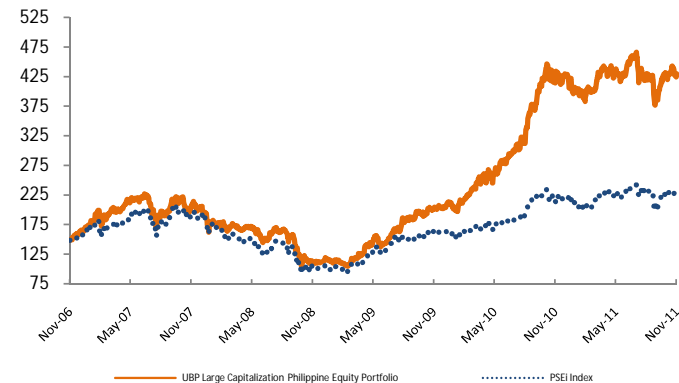
### Fund Performance

Calendar Absolute Returns*	Large Cap	PSEi Index
YTD	-1.26%	0.24%
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	54.89%	30.88%
5 Years	23.38%	8.59%

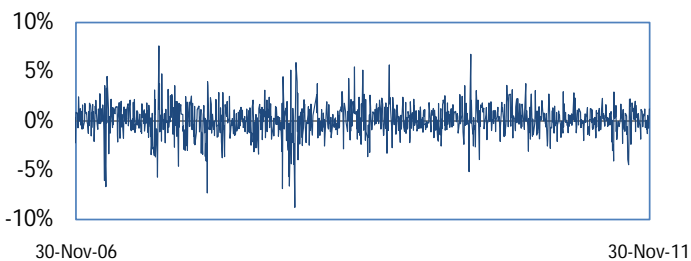
\*Returns are reported net of fees.

Net Asset Value, end-of-period: Php 923.431 Million  
Bid NAV Per Unit (NAVpu) Php 420.707016  
Offer NAV Per Unit (NAVpu) Php 429.381211

### Net Asset Value per Unit



### Daily Percentage Change of NAVpu



### Risk Characteristics:

One day VAR at 3σ:	2.95%
Volatility, Past 360 Days:	18.57%
PSEi Index, Volatility Past 360 days:	19.17%
Sharpe Ratio (Risk Free Rate = 2.00%):	0.03

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.

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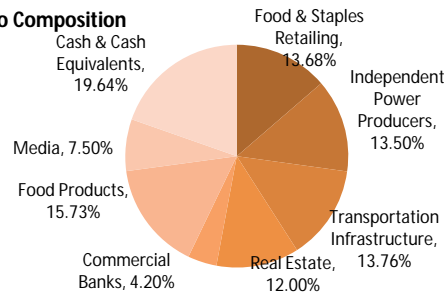
### Fund Manager's Report

The Philippine Stock Exchange Index (PSEi) closed at 4211.04 in November, dropping 122.68 points or 2.83 percent month-on-month on the back of external factors namely the uncertainty in Europe and the US budget gridlock.

Philippine GDP results were quite disappointing coming in at 3.2% Year-on-Year (YoY), significantly lower than the expected 4.1%. Consumption was up 7.1% YoY. OFW remittances grew 8.5% in the third quarter, supporting consumption. Inflation increased to 5.2% in October from the previous month's 4.8% hence, the Bangko Sentral ng Pilipinas (BSP) decided to keep key policy rates unchanged. Government expenditures increased 9.4% YoY while investments grew 24.5% YoY. Exports continue to be the main drag falling to 13.1% on slowing world economy. Remittances remain resilient rising 8.4% YoY and hitting the government's full target of 7% growth. Cumulative budget deficit came in at Php74 billion, far from the Php260 billion target. On the other hand, bank loans showed encouraging growth, improving 21.7% YoY.

The MSCI rebalancing caused share price volatility. ICT, URC, and SMC were included while the weightings of MBT, and BPI were reduced. Due to the MSCI related trades, average daily turnover improved to US\$123m, from US\$96m in the previous month. Expect slightly lower volumes in the coming weeks as funds are expected to already be positioned for the MSCI rebalancing.

### Portfolio Composition



### Top 5 Holdings

Universal Robina Corporation	15.73%
ICTSI	13.76%
Alliance Global	13.68%
First Gen Corp	13.50%
Megaworld	12.00%

### 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:	IFDLCPE

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