

Odyssey Diversified Capital Fund

A Unit Investment Trust Fund of the Bank of the Philippine Islands

Investment Objective

The Fund aims to achieve long-term capital and income growth by investing in a diversified portfolio of fixed income and equity securities. The Fund aims to outperform its benchmark (gross of fees) which is composed of 70% HSBC Philippines Liquid Bond Index and 30% Philippine Stock Exchange Index.

Figures as of 4/30/2012

Cumulative Performance (%)¹

	1 mo	1YR	3YRS	5YRS	S.I. ²
Fund	1.42	20.12	79.01	51.20	58.91
Benchmark ³	0.72	17.03	63.14	56.17	65.90

Annualized Performance (%)¹

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. ²
Fund	20.12	21.26	21.42	13.13	8.62	8.94
Benchmark ³	17.03	17.04	17.72	12.98	9.33	9.81

Calendar Year Performance (%)¹

	YTD	2011	2010	2009	2008	2007
Fund	7.68	14.77	22.67	28.62	-25.28	7.01
Benchmark ³	6.62	11.89	19.07	21.88	-15.51	10.59

¹ Returns are net of fees. Past performance is not an indication of future returns.

² Since Inception.

³ Effective January 1, 2007, the bond portion of the Fund's benchmark was changed from HSBC Philippines Local Bond Index to HSBC Philippines Liquid Bond Index.

Key Figures and Statistics

Net Asset Value per Unit (NAVPU) ⁴	PHP	158.91
Total Fund NAV (Mln)	PHP	682.89
Current Number of Holdings		44
Information Ratio ⁵		0.81
Sharpe Ratio ⁶		1.73

Statistics - Past 5 Years	Fund	Benchmark
Annualized Return (net)	8.62%	9.33%
Annualized Volatility	11.67%	8.57%

General Information

Launch Date	December 4, 2006
Fund Structure	Unit Investment Trust Fund
Fund Classification	Balanced Fund
Fund Currency	Philippine Peso
Minimum Holding Period	15 calendar days
Early Redemption Fee	1.00%
Management/Trust Fee	1.50% per annum/ 0.38% per quarter ⁴
Custodianship Fees	0.004% per quarter ⁴
External Audit Fees	0.002% per quarter ⁴
Valuation Methodology	Marked-to-Market
External Auditor	Isla Lipana & Co.
Trustee	Bank of the Philippine Islands
Third-Party Custodian	HSBC, Ltd. (Philippines)
Dealing Cut-Off	2:30 PM

Manager's Report

Market Review. The Philippine Stock Exchange Index (PCOMP) hit a new all-time high of 5,204.8 last April 26, and closed the month at 5202.7, bringing year to date performance to 19%. Conglomerates, mining, property and banks led the market. The HSBC Local Currency Philippines Liquid Index (Benchmark) gained 0.22% during the month.

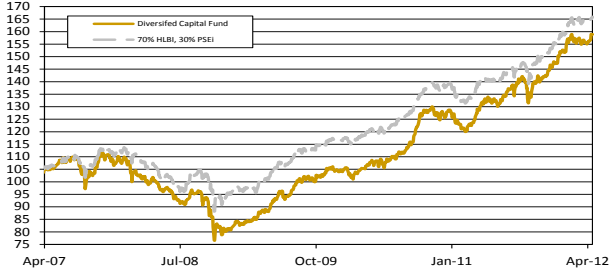
The government incurred a budget deficit of P33.9 billion in the first quarter, P48.9 billion below the programmed ceiling. Public spending has increased during the period just as tax collection also improved. Manageable inflation and strong economic indicators allowed the Bangko Sentral ng Pilipinas (BSP) to keep its key policy rate at 4% during its board meeting in April. Inflation in March slowed to 2.6% from 2.7% despite elevated oil prices and the provisional P50c transport fare hike. The BSP is giving itself more time to assess the effects of its cumulative 50 bps overnight rate cut earlier in the year as inflation in April is expected to fall between 2.1% to 3.0%, way below its target range. It also revised its inflation forecast for next year to 3.3% from 3.4%. However, the BSP noted that risks to inflation now lean toward the upside due to possible second round effects of elevated oil prices. On the corporate front, seven companies comprising about 20% of index capitalization have disclosed in-line or better than consensus net income for 1Q12. Planned fund raising activities abound as BDO announced a USD denominated, 1:3 rights offering while East West Banking Corp is expected to complete its IPO early in May. Meanwhile, GT Capital Holdings successfully completed its P19bn IPO, closing April at P509 per share, up 11.87% from its IPO price of P455. The issue was 5 times oversubscribed, and constituted around 40% of market turnover during listing day.

Fund Performance. The Odyssey Diversified Capital Fund gained 1.42% for the month of April. The Fund's equity portfolio outperformed the PSEI for the month, returning 3.11% and 1.86%, respectively. Meanwhile, the Fund's fixed income portfolio returned 0.26%, leading its benchmark by 4 bps. The blended effect of each portfolio's return resulted in the Fund's 71 bps outperformance.

Fund Strategy. The Fund's equity portfolio will maintain overweight position. The Fund's fixed income portfolio will keep its current duration as the policy rate is held steady while risk of inflation could rise.



NAVPU Graph



Allocation

Portfolio Composition: Equities 39.1%, Bonds 58.6%, Cash 2.3%

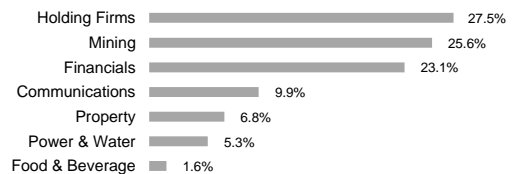
Top Five Bond Holdings

Name	% Yield ⁶	Maturity	% of Fund	
Philippines FXTN 20-17 2031	6.4%	4.67%	7/19/2031	19.88%
Philippines FXTN 25-8 2035	6.5%	4.92%	12/16/2035	15.43%
NAPOCOR 2016	5.875%	4.82%	12/19/2016	5.60%
Philippines FXTN 10-54 2022	5.1%	4.21%	1/19/2022	4.11%
Philippines RTB 10-2N 2021	5.9%	4.13%	3/3/2021	4.02%

Top Five Equity Holdings

Name	Main Business	% of Fund
Philippine Long Distance Telephone Co.	Telecommunications	3.27%
Metropolitan Bank and Trust Co.	Mining	3.22%
Philex Mining Corporation	Financials	2.42%
Bank of the Philippine Islands	Financials	2.41%
Lepanto Cons. Mining Co. - A Shares	Mining	2.23%

Sector Holdings (Equity Portion)



Any prospective investment shall be limited to the type of investments described in the Declaration of Trust for the Fund.

Risk Disclosure

The Fund is suitable for investors who take medium to long-term views. As a marked-to-market UITF, the Fund's net asset value and total return may fall as well as rise as a result of stock prices and interest rates movements. On redemption of units, an investor may receive an amount less than the original amount of investment.

⁴ Plan Rules are available upon request.

⁴ Trust fees/custodianship fees/audit fees as a percentage of average daily NAV for the quarter.

⁵ The Information Ratio evaluates reward-to-risk efficiency relative to the benchmark, while the Sharpe Ratio evaluates reward-to-risk efficiency relative to the risk free rate. The higher the number, the higher the reward per unit of risk. Sharpe and Information Ratios between funds of different classifications are non-comparable.

⁶ Net of Tax