

Odyssey Philippine Equity Fund

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

Investment Objective

The objective of this Fund is to attain long-term capital growth for Peso investors. To achieve this, the Fund will be invested in a portfolio of stocks listed on the Philippine Stock Exchange. The Fund seeks to outperform (gross of fees) the Philippine Stock Exchange Index (PSEI).

FIGURES AS OF 4/30/2012

Cumulative Performance (%)

	1 mo	1YR	3YRS	5YRS	S.I. ²
Fund	3.11	21.24	175.34	52.65	384.23
Benchmark ³	1.86	20.45	147.34	59.07	350.69

Annualized Performance (%)

	1YR	2YRS	3YRS	4YRS	5YRS	S.I. ²
Fund	21.24	32.65	40.16	18.34	8.83	19.17
Benchmark ³	20.45	25.75	35.24	17.28	9.73	18.22

Calendar Year Performance (%)

	YTD	2011	2010	2009	2008	2007
Fund	15.70	11.65	42.66	83.71	-56.01	17.23
Benchmark ³	19.00	4.07	37.62	63.00	-48.29	21.43

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

² Since Inception

³ The Benchmark of the fund is the PSEI.

Key Figures and Statistics

Net Asset Value per Unit (NAVPU) ⁴	PHP	484.23
Total Fund NAV (Mn)	PHP	5,070.89
Current Number of Holdings		33
Information Ratio ⁵		0.09
Sharpe Ratio ⁵		0.79

Statistics - Past 5 Years

	Fund	Benchmark
Annualized Return (net)	8.83%	9.73%
Annualized Volatility	27.41%	22.96%
Portfolio Beta	1.14	

General Information

Launch Date	May 5, 2003
Fund Structure	Unit Investment Trust Fund
Fund Classification	Equity Fund
Fund Currency	Philippine Peso
Minimum Holding Period	15 calendar days
Early Redemption Fee	1.00%
Management/Trust Fee	2.00% per annum/ 0.50% per quarter ⁴
Custodianship Fees	0.004% per quarter ⁵
External Audit Fees	0.0002% per quarter ⁵
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%. Average value turnover for the period was P5.6bn; 13.8% lower the 2012 average of P6.5bn. MSCI Philippines (MXPH) return slowed to 1.08%, down from the previous month's 4.12%, but still better than MSCI Asia Ex Japan (MXASJ) at 0.04%. Sector-wise, conglomerates led the way at 5.1%, followed by mining (+4%), property (+2.7%) and banks (+1.87%). Remittances and loan growth numbers stayed strong, growing 5.6% and 18% respectively, year-on-year. BDO Unibank (BDO) announced that it would raise \$1bn via a 1:3 rights offer to shore up its capital adequacy ratio and Tier 1 ratio. The move brings the bank above the minimum 12.5% CAR and 10% Tier 1 required for BASEL III. GT Capital Holdings (GTCAP) 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. The market is anticipating the upcoming East West Banking Corp. (EWB) IPO, which should raise about PHP5bn to fund its expansion plan which aims to triple its branch network in three years. The bank offers attractive net interest margins from its 50% exposure to consumer loans.

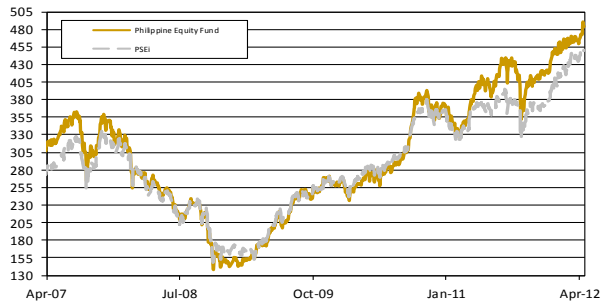
On the earnings front, seven companies comprising about 20% of index capitalization have disclosed in-line or better than consensus net income for 1Q12. Further momentum hinges on more positive disclosures and roll-out of government PPPs. Ayala Corp and Metro Pacific Investments are names to watch, given their recent partnership and the upcoming LRT-1 South Extension bidding in early May, and the LRT-2 East bidding in June.

Fund Performance. The Fund returned 3.11% for the month of April, outperforming the PCOMP's 1.86%. The 125bps outperformance came from the fund's overweight position in the mining sector.

Fund Strategy. Given the healthy macroeconomic factors and positive first quarter corporate earnings, we remain overweight on domestic equities. Tactically, we will look to take advantage of the MSCI rebalancing flows and purchase favored securities on dips while taking profit on some overbought names. We continue to favor the mining, infrastructure and banking sectors for the medium term.



NAVPU Graph



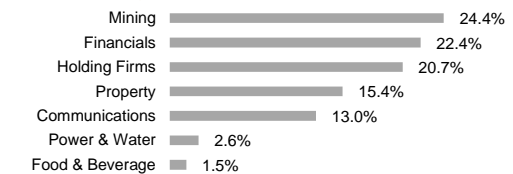
Allocation

Portfolio Composition: Equities 98.7%, Cash 1.3%

Top 10 Holdings

Name	Main Business	% of Fund
Philippine Long Distance Telephone Co.	Telecommunications	8.30%
Metropolitan Bank and Trust Co.	Financials	8.19%
Philex Mining Corporation	Mining	6.05%
Bank of the Philippine Islands	Financials	5.55%
JG Summit Holdings, Inc.	Holding Firms	5.52%
Lepanto Cons. Mining Co. - A Shares	Mining	5.40%
Philippine National Bank	Financials	4.85%
Manila Mining Corp.	Mining	4.65%
Lepanto Cons. Mining Co. - B Shares	Mining	4.02%
Metro Pacific Investments Corporation	Holding Firms	3.81%

Sector Holdings



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.