

SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

1. For the quarterly period ended
Sep 30, 2018
2. SEC Identification Number
AS091190385
3. BIR Tax Identification No.
002284545000
4. Exact name of issuer as specified in its charter
Filipino Fund, Inc.
5. Province, country or other jurisdiction of incorporation or organization
Metro Manila, Philippines
6. Industry Classification Code(SEC Use Only)
7. Address of principal office
Units 1009-1011 Tower One & Exchange Plaza, Ayala Triangle, Ayala Avenue, Makati
City
Postal Code
1226
8. Issuer's telephone number, including area code
856 5801
9. Former name or former address, and former fiscal year, if changed since last report
N/A
10. Securities registered pursuant to Sections 8 and 12 of the SRC or Sections 4 and 8 of the RSA
- | Title of Each Class | Number of Shares of Common Stock Outstanding and Amount of Debt Outstanding |
|---------------------|---|
| Common Stock "A" | 50,167,397 |

11. Are any or all of registrant's securities listed on a Stock Exchange?

Yes No

If yes, state the name of such stock exchange and the classes of securities listed therein:

Philippine Stock Exchange

12. Indicate by check mark whether the registrant:

(a) has filed all reports required to be filed by Section 17 of the SRC and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period that the registrant was required to file such reports)

Yes No

(b) has been subject to such filing requirements for the past ninety (90) days

Yes No

The Exchange does not warrant and holds no responsibility for the veracity of the facts and representations contained in all corporate disclosures, including financial reports. All data contained herein are prepared and submitted by the disclosing party to the Exchange, and are disseminated solely for purposes of information. Any questions on the data contained herein should be addressed directly to the Corporate Information Officer of the disclosing party.



Filipino Fund, Inc.
FFI

PSE Disclosure Form 17-2 - Quarterly Report
References: SRC Rule 17 and
Sections 17.2 and 17.8 of the Revised Disclosure Rules

For the period ended	Sep 30, 2018
Currency (indicate units, if applicable)	Php

Balance Sheet

	Period Ended	Fiscal Year Ended (Audited)
	Sep 30, 2018	Dec 31, 2017
Current Assets	208,266,541	241,153,726
Total Assets	208,266,541	241,153,726

Current Liabilities	1,260,311	2,218,287
Total Liabilities	1,260,311	2,218,287
Retained Earnings/(Deficit)	56,571,034	88,500,243
Stockholders' Equity	207,006,230	238,935,439
Stockholders' Equity - Parent	-	-
Book Value per Share	4.12	4.76

Income Statement

	Current Year (3 Months)	Previous Year (3 Months)	Current Year-To-Date	Previous Year-To-Date
Gross Revenue	-1,117,000	6,528,616	-24,078,822	23,958,134
Gross Expense	788,212	1,072,538	3,835,022	4,085,876
Non-Operating Income	-	-	-	-
Non-Operating Expense	-	-	-	-
Income/(Loss) Before Tax	-1,905,212	5,456,078	-27,913,844	19,872,257
Income Tax Expense	100	2,000	1,974	4,525
Net Income/(Loss) After Tax	-1,905,312	5,454,078	-27,915,818	19,867,733
Net Income Attributable to Parent Equity Holder	-	-	-	-
Earnings/(Loss) Per Share (Basic)	-0.04	0.11	-0.56	0.4
Earnings/(Loss) Per Share (Diluted)	-	-	-	-

	Current Year (Trailing 12 months)	Previous Year (Trailing 12 months)
Earnings/(Loss) Per Share (Basic)	-0.5	-0.05
Earnings/(Loss) Per Share (Diluted)	-	-

Other Relevant Information

FFI quarterly report as of September 30, 2018.

Filed on behalf by:

Name	Natividad Chua
Designation	Corporate Information Officer



111082018000998



SECURITIES AND EXCHANGE COMMISSION

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Received From : Head Office

Company Representative

Doc Source

Company Information

SEC Registration No. 0000190385
Company Name FILIPINO FUND, INC.
Industry Classification
Company Type Stock Corporation

Document Information

Document ID 111082018000998
Document Type 17-Q (FORM 11-Q: QUARTERLY REPORT/FS)
Document Code 17-Q
Period Covered September 30, 2018
No. of Days Late 0
Department CFD
Remarks

COVER SHEET

A S 0 9 1 1 9 0 3 8 5

SEC Registration Number

F I L I P I N O F U N D , I N C .

(Company's Full Name)

U n i t 1 0 0 9 - 1 0 1 1 , T o w e r O n e & E x c h a n g e P l a z a , A y a l a T r i a n g l e , A y a l a A v e n u e , M a k a t i C i t y

(Business Address: No. Street City/Town/Province)

Natividad P. Chua

(Contact Person)

856-5801 to 03

(Company Telephone Number)

1 2 3 1

Month Day (Fiscal Year)

SEC FORM 17-Q

(Form Type)

Month Day

(Annual Meeting)

(Secondary License Type, If Applicable)

CFD

Dept. Requiring this Doc.

Amended Articles Number/Section

Total No. of Stockholders

Domestic

Foreign

To be accomplished by SEC Personnel concerned

File Number

LCU

Document ID

Cashier

STAMPS

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SECURITIES AND EXCHANGE COMMISSION

SEC FORM 17-Q

QUARTERLY REPORT PURSUANT TO SECTION 17 OF THE SECURITIES
REGULATION CODE AND SRC RULE 17(2)(b) THEREUNDER

- 1. For the quarterly period ended : **September 30, 2018**
- 2. Commission identification number : **AS091-190385**
- 3. BIR Tax Identification No. : **002-284-545-000**
- 4. Exact name of issuer as specified in its charter : **FILIPINO FUND, INC.**
- 5. Province, country or other jurisdiction of incorporation or organization : **METRO MANILA, PHILIPPINES**
- 6. Industry Classification Code : (SEC Use Only)
- 7. Address of issuer's principal office : **UNITS 1009-1011 TOWER ONE AND EXCHANGE PLAZA, AYALA TRIANGLE, AYALA AVE., MAKATI CITY 1226**
- 8. Issuer's telephone number, including area code : **(632) 856-5801**
- 9. Former name, former address and former fiscal year, if changed since last report : **N/A**
- 10. Securities registered pursuant to Sections 8 and 12 of the Code, or Sections 4 and 8 of the RSA

Title of each Class

Number of shares of common
stock outstanding

Common Stock A

50,167,397 shares

- 11. Are any or all of the securities listed on a Stock Exchange?

Yes [] No []

If yes, state the name of such Stock Exchange and the class/es of securities listed therein:

PHILIPPINE STOCK EXCHANGE (PSE)

Common Shares

12. Indicate by check mark whether the registrant:

- (a) has filed all reports required to be filed by Section 17 of the Code and SRC Rule 17 thereunder or Sections 11 of the RSA and RSA Rule 11(a)-1 thereunder, and Sections 26 and 141 of the Corporation Code of the Philippines, during the preceding twelve (12) months (or for such shorter period the registrant was required to file such reports)

Yes No

- (b) has been subject to such filing requirements for the past ninety (90) days.

Yes No

PART I--FINANCIAL INFORMATION

Item 1. Financial Statements.

Financial Statements attached.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

As of September 30, 2018, the Fund posted total assets of P208.27 million lowered by P32.89 million or 13.64% from P241.15 million as of December 31, 2017. Total liabilities decreased by P0.96 million or 43.19% from P2.22 million to P1.26 million. Moreover, the Fund's shareholders' equity amounted to P207.01 from P238.94 million as of December 31, 2017, a decreased of P31.93 million or 13.36%.

Cash and cash equivalents amounted to P3.37 million as of September 30, 2018, a decreased by P8.83 million or 72.39% from P12.20 million as of December 31, 2017, mainly due to acquisition of listed equity securities and cash dividends payment to all shareholders as of record date April 23, 2018 amounting to P4,013,391.76 or P0.08/sh.

Investment in financial assets which are classified as FVPL consisted of equity securities and unit investment trust fund which represent 60% and 38% of the Fund's total assets as of September 30, 2018. Fair values are based on quoted market prices for equity securities and net asset value per share for investments in UITF. As of September 30, 2018, equity securities and UITF had market value of P125.24 million and P79.37 million, respectively, compared from market value of P145.50 million and P82.85 million, respectively, as of December 31, 2017. A decreased of P20.26 million for equity securities due to lower market prices as of September 30, 2018 and P3.47 million for UITF mainly as a result of partial withdrawal for immediate cash requirement.

Receivables represent mainly dividend from equity investments which amounted to P0.16 million as of September 30, 2018 from P0.61 as of December 31, 2017, a decreased of P0.45 million.

Other assets consist merely of input tax amounted to P.12 million as of September 30, 2018 versus last year with nil balance since the Fund's revenues are exempt from vat and there is no other source of income that is subject to output vat which the related input vat can be utilized or offset; thus, valuation allowance is fully provided.

Total liabilities went down to P1.26 million from P2.22 million on December 31, 2017, primarily due to payment of various expenses that were previously recorded as accrued expenses that include management fee, legal and professional fees and other expenses incurred by the Fund during the period.

Operations for the third quarter of 2018 generated total unrealized market loss of financial assets amounted to P27.51 million compared to P20.24 unrealized gain on September 30, 2017, a decreased of P47.75 million or 235.89%. Realized gain from sale amounted to P1.09 million as of September 30, 2018 compared to P0.62 million during same period of 2017, P0.47 million higher or 74.94%. Dividend revenue from investment on listed equities amounted to P2.33 million, P0.74 million lower or 24.13% from P3.07 million; moreover, interest income earned on cash in bank amounted to P0.01 million of September 30, 2018 or 56.38% lower from September 30, 2017.

Total operating expenses as of September 30, 2018 went down to P3.84 million, P0.25 million lower from P4.09 million as of September 30, 2017.

As a result of the foregoing, the Fund generated net operating loss of P27.92 million for the nine months ended September 30, 2018. This is significantly lower of P47.78 million or 240.51% compared to net operating income of P19.87 as of September 30, 2017.

Key Performance Indicators:

- NAV growth – NAV growth of FFI should be at least be in line with other similarly managed funds. Total net asset value of FFI decreased by 13.36% from P238.94 million as of December 31, 2017 to P207.01 million as of September 30, 2018.
- Income (or Loss) per share – income (or loss) per share is computed as Net Investment Income (or Loss) divided by the weighted average number of shares outstanding. As of September 30, 2018, the Fund performance resulted to net loss per share of P0.56 versus earnings per share of P0.40 in the same period of 2017.
- Portfolio Quality – The Funds' portfolio should, at all times, adhere to the investment parameters as indicated in the Funds' prospectus. The Fund invests in a mix of short term investments and listed equities.
- Expense Ratio – expense ratio is computed as Operating Expense divided by Net Asset Value. As of September 30, 2018, the Funds' expense ratio is 1.85% computed by dividing total operating expenses amounting to P3.84 million by the net asset value of P207.01 million.
- Market Price (MP) to Net Asset Value (NAV) – As of the end of third quarter of 2018 market price is P8.59 per share against NAV per share of P4.13 resulting to a premium of 107.99% per share versus end of 2017 of 61.04%.

Discussion and Analysis of Material Events and Uncertainties

As of September 30, 2018, the Fund is not aware of any material event or uncertainty that has affected the current interim period and/or would have a material impact on future operations of the Fund.

1. Any known trends, demands, commitments, events or uncertainties that will have a material impact on the issuer's liquidity:

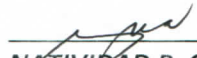
Liquidity of the Fund may be affected by the market's depth or the existence of readily available buyers and sellers in the market.

2. There are no events that will trigger direct or contingent financial obligation that is material to the Fund, including any default or acceleration of an obligation.
3. The Fund has no material off-balance sheet transactions, arrangements, obligations ((including contingent obligations), and other relationships of the Fund with unconsolidated entities or other persons created during the reporting period.
4. The Fund has no material commitments for capital expenditures, the general purpose of such commitments, and the expected sources of funds for such expenditures should be described.
5. There are no known trends, events or uncertainties that have had or that are reasonably expected to have a material favorable or unfavorable impact on net sales/revenues/income from continuing operations.
6. There are no significant elements of income or loss that did not arise from the issuer's continuing operations.

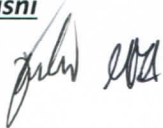
SIGNATURES

Pursuant to the requirements of the Securities Regulation Code, the issuer has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Issuer : **FILIPINO FUND, INC. ("FFI")**

Signature and Title : 
NATIVIDAD P. CHUA
For: AB Capital and Investment Corporation
As Fund Manager of FFI

Date : October 31, 2018

Principal Financial / Accounting Officer / Controller : 
Mary Jennifer V. Musni
Treasurer 

Date :

FILIPINO FUND, INC.**PART I-FINANCIAL INFORMATION**

Item 1. Financial Statements Required Under SRC Rule 68.1

Notes to Interim Financial Statements:

As of September 30, 2018

1. The interim financial reports were prepared in accordance with the accounting standards generally accepted in the Philippines
2. The accounting policies adopted by the Fund are consistent with those of the previous financial year except for the following new and amended PFRSs, PASs and Philippine Interpretations which were adopted as of January 1, 2017.

- Amendments to PFRS 12, *Disclosure of Interests in Other Entities, Clarification of the Scope of the Standard (Part of Annual Improvements to PFRSs 2014 - 2016 Cycle)*

The amendments clarify that the disclosure requirements in PFRS 12, other than those relating to summarized financial information, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale.

Adoption of these amendments did not have any impact on the Fund's financial statements.

- Amendments to PAS 7, *Statement of Cash Flows, Disclosure Initiative*

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses).

Adoption of these amendments did not have any impact on the Fund's financial position, performance or disclosures as the Fund does not have liabilities arising from financing activities.

- Amendments to PAS 12, *Income Taxes, Recognition of Deferred Tax Assets for Unrealized Losses*

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions upon the reversal of the deductible temporary difference related to unrealized losses. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Adoption of these amendments did not have any impact on the Fund's financial position, performance or disclosures as the Fund has no deductible temporary differences or assets that are in scope of the amendments.

3. There were no items of unusual nature, size or incident, which occurred in the interim period affecting assets, liabilities, equity, net income or cash flow.
4. The preparation of financial statements in compliance with PFRS requires the Fund to make use of estimated, assumption and judgments that affect the reported amounts of assets, liabilities, income and expenses and the disclosures of contingent assets and liabilities, if any. Future events may occur which can cause the assumptions used in arriving at the estimates to change. The effects of any change in estimated are reflected in the financial statements as they become reasonably determinable.
5. There were no issuances, repurchases, and repayments of debt and equity securities that have a material effect on the interim financial report.
6. On March 26, 2018, the Board of Directors of the Fund unanimously declared a cash dividend of P0.08 per share or amounting to P4,013,391.76 to all stockholders of record on the basis of the outstanding shares owned by them on the following dates:

Record Date: April 23, 2018

Payment Date: May 4, 2018

The Fund's declaration of cash/stock dividends in the future will depend on the Fund's investment requirements, and unrestricted retained earnings, at the relevant time. This is the only restriction which may limit the Fund's ability to pay/declare cash/stock dividends.

7. For management purposes, the Fund is organized into one main operating segment, which invests in equity securities. All of the Fund's activities are interrelated and interdependent. Accordingly, all significant reporting decisions are based upon the analysis of the Fund as one segment. The financial results from this segment are equivalent to the financial statements of the Fund as a whole.
8. Contingent liabilities are not recognized in the financial statements but are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote. Contingent assets are not recognized in the financial statements but disclosed when an inflow of economic benefits is probable.
9. There are no material events subsequent to the end of the interim period that have not been reflected in the financial statements for the interim period.

Pronouncements issued but not yet effective are listed below. Unless otherwise indicated, the Fund does not expect that the future adoption of the said pronouncements will have a significant impact on its financial statements. The Fund intends to adopt the following pronouncements when they become effective.

Effective beginning on or after January 1, 2018

- PFRS 9, *Financial Instruments*
PFRS 9 reflects all phases of the financial instruments project and replaces PAS 39, *Financial Instruments: Recognition and Measurement*, and all previous versions of PFRS 9.

The standard introduces new requirements for classification and measurement, impairment, and hedge accounting. Retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The adoption of PFRS 9 is not expected to have an effect on the classification and measurement of the Fund's financial assets and financial liabilities but will have an impact on the impairment of the fund's financial assets other than those classified as fair value through profit and loss.

- PFRS 15, *Revenue from Contracts with Customers*
PFRS 15 establishes a new five-step model that will apply to revenue arising from contracts with customers. Under PFRS 15, revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in PFRS 15 provide a more structured approach to measuring and recognizing revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under PFRSs. Either a full retrospective application or a modified retrospective application is required. The Fund plans to adopt the new standard on the required effective date.

- Amendments to PFRS 2, *Share-based Payment, Classification and Measurement of Share-based Payment Transactions*
- Amendments to PAS 28, *Measuring an Associate or Joint Venture at Fair Value (Part of Annual Improvements to PFRSs 2014 - 2016 Cycle)*
- Amendments to PAS 40, *Investment Property, Transfers of Investment Property*
- Philippine Interpretation IFRIC-22, *Foreign Currency Transactions and Advance Consideration*
- Amendments to PFRS 4, *Insurance Contracts, Applying PFRS 9, Financial Instruments, with PFRS 4*

Effective beginning on or after January 1, 2019

- PFRS 16, *Leases*
- Amendments to PAS 28, *Long-term Interests in Associates and Joint Ventures*
- Philippine Interpretation IFRIC-23, *Uncertainty over Income Tax Treatments*
- Amendments to PFRS 9, *Prepayment Features with Negative Compensation*

Deferred effectivity

- Amendments to PFRS 10 and PAS 28, *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

10. SEC Memorandum Circular No. 12 Series of 2013 (Net Asset Value (NAV) per Share)

NAV per share is computed by dividing net assets (total assets less total liabilities) by the total number of shares issued and outstanding as the reporting date.

NAV per share is computed as follows:

	September 30, 2018 (Unaudited)	December 31, 2017 (Audited)
Net Asset Value	207,006,230	238,935,439
Number of Shares Outstanding	50,167,397	50,167,397
NAV per share	4.1263	4.7628

11. SEC Memorandum Circular No.8, Series of 2014. (Compliance with FATCA regulations)

In compliance with SEC Memorandum Circular No. 8, Series 2014, on US Foreign Account Tax Compliance Act (FATCA), the following actions were undertaken:

- a) The Fund registered last June 26, 2014 and has been issued a Global Intermediary Identification Number (GIIN).
- b) Filipino Fund, Inc is coordinating with its fund manager to raise issues and queries on FATCA implementations.

FILIPINO FUND, INC.
BALANCE SHEETS

	As of 30-Sep-18	As of 31-Dec-17 (Audited)
ASSETS		
Cash in Bank	3,368,055	12,197,259
Financial Assets:		
Unit Investment Trust Funds	79,374,772	82,848,280
Equity Securities	125,242,256	145,499,886
Receivables	160,674	608,301
Other Assets	120,784	-
Total Assets	208,266,541	241,153,726
LIABILITIES		
Accounts Payable and Accrued Expenses	1,260,311	2,218,287
NET ASSETS BEFORE RESERVE FOR MARKET RISK	207,006,230	238,935,439
ADJUSTMENT FOR MARKET RISK	-	-
NET ASSETS ATTRIBUTABLE TO SHAREHOLDERS	207,006,230	238,935,439
NET ASSET VALUE PER SHARE(Net Assets divided by Outstanding shares)	4.126	4.763

Capital Stock

Authorized 184,234, 038 common shares in 2017 and 2016

Issued and fully paid 105,272,397 shares, at par

Outstanding shares 50,167,397

	105,272,397	105,272,397
	105,272,397	105,272,397
Paid in surplus	94,361,124	94,361,124
Accumulated (decrease) increase in net assets resulting from operations		
Beginning,	88,500,243	65,943,416
Cash Dividend	(4,013,392)	
Net increase (decrease) in net assets resulting from operations	(27,915,818)	22,556,827
Ending	56,571,034	88,500,243
Treasury stock, at cost -55,105,000 shares	(49,198,325)	(49,198,325)
	207,006,230	238,935,439

FOR: AB CAPITAL & INVESTMENT CORPORATION

As Fund Manager of Filipino Fund, Inc. (FFI)

 Natividad P. Chua

Corporate Information Officer

FILIPINO FUND, INC.
STATEMENT OF COMPREHENSIVE INCOME

	For the Nine Month Ending		For the Quarter Ending	
	30-Sep-18	30-Sep-17	30-Sep-18	30-Sep-17
INVESTMENT INCOME				
Net realized gain from sale of financial asset of FVPL	1,093,377	624,998	1,065,840	5,387,389
Gain on market-to-market valuation of financial assets at FVPL	(27,508,723)	20,244,051	(2,643,355)	-
Interest	9,869	22,623	502	9,998
Dividends and Other Income	2,326,656	3,066,462	460,012	1,131,229
	(24,078,822)	23,958,134	(1,117,000)	6,528,616
OPERATING EXPENSE				
Management fee	1,424,926	1,661,692	300,526	546,000
Meetings	93,254	99,489	-	-
Professional fees	773,658	821,373	238,415	284,403
Membership Fees and Dues	256,000	258,000	-	-
Directors' Fees	388,889	441,176	-	-
Commission and Other Transaction Fees	132,441	76,947	115,335	-
Donation	-	200,000	-	-
Advertising and Publicity	244,784	195,295	12,054	-
Miscellaneous	521,070	331,904	121,884	242,135
	3,835,022	4,085,876	788,212	1,072,538
NET INCOME/(LOSS) BEFORE TAX	(27,913,844)	19,872,257	(1,905,212)	5,456,078
PROVISION FOR INCOME TAX				
PROVISION FOR FINAL TAX	(1,974)	(4,525)	(100)	(2,000)
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	(27,915,818)	19,867,733	(1,905,312)	5,454,078
EARNINGS PER SHARE	(0.56)	0.40	(0.04)	0.11


FOR: **AB CAPITAL & INVESTMENT CORPORATION**
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENTS OF CHANGES IN NET ASSETS

	For the 9-month Period Ended	
	30-Sep-18	30-Sep-17
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE TO UNITHOLDERS FROM OPERATIONS	(27,915,818)	19,867,733
FROM FINANCIAL RESTRUCTURING		
Distribution of PIF and SPT Values to Stockholders		
Dividends Paid	(4,013,392)	-
NET INCREASE (DECREASE) IN NET ASSETS	(31,929,210)	19,867,733
NET ASSETS AT BEGINNING OF YEAR	238,935,439	216,378,613
NET ASSETS AT END OF YEAR	207,006,230	236,246,346

FOR: AB CAPITAL & INVESTMENT CORPORATION
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENTS OF CHANGES IN EQUITY

	For the 9-month Period Ended	
	30-Sep-18	30-Sep-17
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE		
TO UNITHOLDERS FROM OPERATIONS	(27,915,818)	19,867,733
NET (DECREASE) INCREASE IN NET ASSETS		
RESULTING FROM CAPITAL STOCK		
TRANSACTIONS		
Distribution of PIF and SPT Values to Stockholders		
Expenses directly related to the initial public offering		
Contributions		
Cash dividends declared	(4,013,392)	-
	(4,013,392)	-
INCREASE (DECREASE) IN NET ASSETS ATTRIBUTABLE		
TO UNITHOLDERS FROM OPERATIONS	(31,929,210)	19,867,733
Beginning of period	238,935,439	216,378,613
End of period	207,006,230	236,246,346

FOR: AB CAPITAL & INVESTMENT CORPORATION
As Fund Manager of Filipino Fund, Inc. (FFI)


Natwidad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
STATEMENT OF CASH FLOWS

	For the period ended	
	September 30, 2018	September 30, 2017
CASH FLOWS FROM OPERATING ACTIVITIES		
Net Investment Income (loss) before Tax	(27,913,844)	19,872,257
Adjustments for:		
Interest Income	(9,869)	(22,623)
Interest Received	7,895	18,098
Changes in operating assets and liabilities:		
Decrease (increase) in:		
Financial assets at FVPL	23,731,138	(12,609,474)
Receivables	447,628	17,465
Other Assets	(120,784)	(102,462)
Increase (decrease) in:		
Accounts payable and accrued expenses	(957,976)	(71,168)
Net cash provided by (used in) operating activities	(4,815,812)	7,102,095
CASH FLOWS FROM FINANCING ACTIVITIES:		
Dividends Paid	(4,013,392)	
Net cash provided by (used in) financing activities	(4,013,392)	-
NET INCREASE (DECREASE) IN CASH IN BANKS	(8,829,204)	7,102,095
CASH IN BANKS AT BEGINNING OF YEAR	12,197,259	5,220,954
CASH IN BANKS AT END OF YEAR	3,368,055	12,323,048

FOR: AB CAPITAL & INVESTMENT CORPORATION
As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
Corporate Information Officer

FILIPINO FUND, INC.
SCHEDULE OF INVESTMENTS
September 30, 2018

	Cost	Market
INVESTMENT IN UNIT INVESTMENT TRUST FUND		
Equity Fund	1,939,019	1,788,161
Balanced Fund	1,325,341	1,298,903
Short Term Fund	75,111,455	76,287,708
	78,375,816	79,374,772
TOTAL INVESTMENTS	78,375,816	79,374,772

FOR: AB CAPITAL & INVESTMENT CORPORATION
 As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua
 Corporate Information Officer

FILIPINO FUND, INC.
AGING OF RECEIVABLES
September 30, 2018

<i>Number of Days Outstanding</i>	<i>As of Sep 30, 2018</i>
1-90 days	Php160,673.77
91-180 days	
181-360 days	
Over 360 days	
Total	Php160,673.77

FOR: VICSAL INVESTMENT, INC.

As Fund Manager of Filipino Fund, Inc. (FFI)


Natividad P. Chua

Corporate Information Officer

FILIPINO FUND INCORPORATED**Percentage of Investment in a Single Enterprise to Net Asset Value**

September 30, 2018

COMPANY	2018	2017
Ayala Corporation	3.407047%	2.709883%
Aboitiz Equity Ventures, Inc.	0.719592%	0.943219%
Alliance Global Group, Inc.	0.422016%	0.475267%
Ayala Land, Inc.	7.013376%	6.674706%
Banco de Oro Unibank, Inc.	1.813845%	1.733952%
Bank of the Philippine Islands	0.348481%	-
Cebu Air, Inc.	-	0.696519%
China Banking Corporation	0.706595%	-
East West Banking Corporation	0.567867%	-
San Miguel Food and Beverage, Inc.	2.811420%	-
First Gen Corporation	2.605413%	2.577164%
GT Capital Holdings, Inc.	3.341300%	4.005205%
International Container Terminal Services, inc.	0.760051%	0.736045%
Integrated Micro Electronics	1.308848%	
JG Summit Holdings, Inc.	0.534271%	1.412720%
LT Group Inc.	0.326251%	-
Metropolitan Bank & Trust Company	8.710515%	7.873544%
Megaworld Corporation	1.234939%	1.286212%
Manila Electric Company	4.697443%	6.899916%
Metro Pacific Investment Corporation	0.213399%	-
Melco Resorts and Entertainment Corporation	0.427415%	
Metro Retail Stores Group, Inc.	3.107974%	4.735210%
Megawide Construction Corp	0.725558%	-
Nickel Asia Corporation	-	0.201146%
Puregold Price Club, Inc.	1.086924%	1.103721%
Philex Mining Corporation	0.564717%	1.234093%
Semirara Mining Corporation	5.009130%	7.676907%
SM Investments Corporation	5.917310%	5.064480%
San Miguel Corporation "A"	0.660784%	-
SM Prime Holdings, Inc.	0.412133%	-
Universal Robina Corporation	1.047070%	0.970174%
Xurpas Inc	-	1.483452%

FILIPINO FUND INCORPORATED

**Total Investment of the Fund to the Outstanding Securities on an Investee Company
September 30, 2018**

INVESTEE COMPANY	2018	2017
Ayala Corporation	0.001204%	0.001062%
Aboitiz Equity Ventures, Inc.	0.000540%	0.000540%
Alliance Global Group, Inc.	0.000696%	0.000682%
Ayala Land, Inc.	0.002460%	0.002462%
Banco de Oro Unibank, Inc.	0.000717%	0.000718%
Bank of the Philippine Islands	0.000192%	-
Cebu Air, Inc.	-	0.002475%
China Banking Corporation	0.001888%	-
East West Banking Corporation	0.004133%	-
San Miguel Food and Beverage, Inc.	0.001016%	
First Gen Corporation	0.008828%	0.008790%
GT Capital Holdings, Inc.	0.004232%	0.004232%
International Container Terminal Services, inc.	0.000823%	0.000826%
Integrated Micro Electronics	0.009983%	
JG Summit Holdings, Inc.	0.000286%	0.000621%
LT Group Inc	0.000433%	-
Metropolitan Bank & Trust Company	0.006762%	0.006762%
Megawide Construction Corp	0.004531%	
Megaworld Corporation	0.001802%	0.001802%
Manila Electric Company	0.002537%	0.005110%
Metro Pacific Investment Corporation	0.000295%	-
Melco Resorts and Entertainment Corporation	0.002214%	
Metro Retail Stores Group, Inc	0.076574%	0.076574%
Nickel Asia Corporation	-	0.000947%
Puregold Price Club, Inc.	0.001808%	0.001808%
Philex Mining Corporation	0.007084%	0.007084%
Semirara Mining Corporation	0.009137%	0.009114%
SM Investments Corporation	0.001125%	0.001125%
San Miguel Corporation "A"	0.000339%	-
SM Prime Holdings, Inc.	0.000082%	-
Universal Robina Corporation	0.000681%	0.000681%
Xurpas Inc	-	0.031772%

FILIPINO FUND INCORPORATED
Other Schedules
September 30, 2018

	September	
	2018	2017
Total investments in liquid assets to total assets	100.00%	100.00%
Total operating expenses to total net worth	1.85%	1.73%

FILIPINO FUND INCORPORATED
Financial Soundness Indicators
September 30, 2018

	September 2018	December 2017
Current Ratio ^(a)	165.25:1.0	108.71:1.0
Debt to Equity Ratio ^(b)	0.01:1.0	0.01:1.0
Asset to Equity Ratio ^(c)	1.01x	1.01x
Profit Margin ^(d)	-115.94%	81.45%
Return on Assets ^(e)	-13.40%	9.82%
Return on Equity ^(f)	-12.52%	9.91%

^(a) Current ratio is measures as current assets divided current liabilities.

^(b) Debt to equity ratio is measured as total liabilities to total equity.

^(c) Asset to equity ratio is measured as total assets divided by total equity.

^(d) Profit margin is derived by dividing net income with total revenues.

^(e) Return on assets is measured as net income with total assets.

^(f) Return on equity is derived by dividing net income over average equity.