

BPI Global Philippine Fund

January 31, 2010

BPI ASSET MANAGEMENT is backed by years of leadership in trust and investment management, with over PHP465 billion in total assets under management.

Investment Objective

To achieve investment returns by investing primarily in foreign currency-denominated fixed-income instruments issued by the Philippine government, corporations and financial institutions.

Fund Performance

Absolute Returns	Fund	3-Month U.S. Treasury Bills
Year-to-date	-0.20%	0.00%
2009	9.76%	0.15%
2008	2.17%	1.80%
2007	4.93%	4.67%
2006	5.85%	4.64%
2005	5.60%	2.77%

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

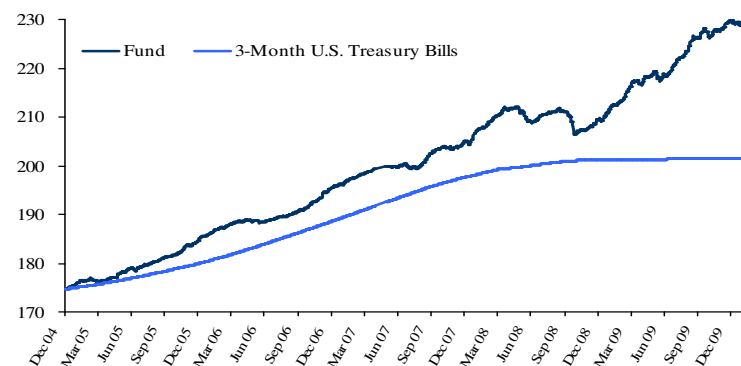
Fund Manager's Report

Philippine USD-denominated ROP prices declined by 1.5% in January, succumbing to pressure brought about by new supply when the country re-issued a total of USD1.5Bn of the ROP 2020 and ROP 2034. Added pressure came when Indonesia and Vietnam issued US2Bn and USD1Bn of 10-year dollar-denominated bonds, respectively. It is worthy to note that the Philippines issued debt ahead of these two Asian neighbors, enabling the country to source funds at relatively lower yields for the ROP2020 (5.67%) compared to similar issues from Indonesia (6.00%) and Vietnam (6.95%).

High-yield bond prices, including Philippine issues, fell when financial markets reacted negatively to reports that the US government would consider regulations to curb the risk-taking activities of US banks thus, limiting their appetite for emerging market debt. Closer to home, China's move to raise banks' reserve requirements and efforts to reduce loan growth raised fears these would slow down economic recovery in the Asian region.

Against this backdrop, the Fund is well-positioned to take advantage of a possible rally in ROP bond prices while we continue to seek new investment outlets to diversify the Fund's portfolio.

Net Asset Value Per Unit



Net Asset Value, end-of-quarter **USD 78.97 Million**
 NAV Per Unit (NAVPU) **USD 229.45**
 Par Value **USD 100.00**

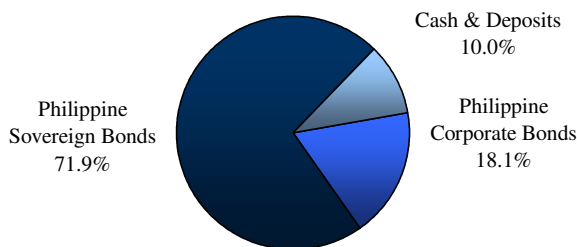
Risk Disclosure

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

Risk Management

In accordance with the provisions in the Declaration of Trust, the Fund implements a risk management policy that applies the principles of Value-at-Risk (VAR). VAR is a measure of the portfolio's maximum potential loss and is computed based on price volatility and market value of the investment portfolio. The Fund's risk management policy prescribes a dynamic volatility band, such that if the volatility of the Fund's investments as reflected in the NAVPU exceeds the volatility band, adjustments are made for the collective interest of the participants. The Fund may also use financial derivatives to hedge the portfolio against market and credit risks.

Portfolio Composition



Average Credit Rating: Ba3 (Moody's) / BB- (S&P)

Top 10 Holdings

	% of Fund
Republic of the Philippines Bonds 8.250% 01/15/2014	17.3
Republic of the Philippines Bonds 8.375% 02/15/2011	13.6
SM Investments Corp. Bonds 6.000% 09/22/2014	9.7
Republic of the Philippines Bonds 9.875% 03/16/2010	8.2
Republic of the Philippines Bonds 6.500% 01/20/2020	8.0
Republic of the Philippines Bonds 8.875% 03/17/2015	5.2
Universal Robina Corp. Bonds 8.250% 01/20/2012	4.4
Republic of the Philippines Bonds 9.000% 02/15/2013	4.3
Republic of the Philippines Bonds 6.375% 10/23/2034	4.2
JG Summit Corporate Bonds 8.000% 01/18/2013	3.3

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

Risk Characteristics

Risk Measures	Past 12 Months			
	Jan 31, 2010	Low	Hi	Average
Duration	3.53	1.38	3.66	2.64
Volatility, Past 360 Days	1.42%	1.31%	1.49%	1.39%
Sharpe Ratio, Past 360 Days	5.65			

Duration measures the sensitivity of NAVPU to interest rate movements. As interest rates rise, bond prices fall. The higher the duration, the more NAVPU will fluctuate in relation to changes in interest rates. Volatility measures the fluctuations in NAVPU. The higher the number, the higher the potential gain or loss. Sharpe ratio evaluates reward to-risk efficiency. The higher the number, the higher the reward per unit of risk.

Fund Facts

Launch Date	August 30, 1994
Structure	Unit Investment Trust Fund
Fund Type	Medium Term Bond Fund
Client Suitability	The Fund is suitable for investors with at least a moderately aggressive risk profile
Base Currency	US Dollar
Minimum Investment	USD 1,000.00
Minimum Additional	USD 200.00
Minimum Holding Period	30 calendar days
Early Redemption Fee	0.25%
Trust Fees ¹	1.00% per annum 0.26% per quarter
Custodianship Fees ²	0.003%
External Audit Fees ³	0.02% per quarter
Valuation Methodology	Mark-to-Market
Trustee and Fund Manager	Bank of the Philippine Islands
Available Thru	Bank of the Philippine Islands Branches
Custodians	HSBC and Bank of New York
Dealing	Daily up to 12 noon
Bloomberg Ticker	BPIGLPH PM

¹Trust fees paid for the quarter as a percentage of average daily NAV for the quarter.

²Custodianship fees billed for the quarter as a percentage of average daily NAV for the quarter.

³External Audit fees as a percentage of end-year 2008 NAV.