

BPI Global Philippine Fund

July 31, 2010

BPI ASSET MANAGEMENT is backed by years of leadership in trust and investment management, with over PHP495 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	4.76%	0.07%
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%

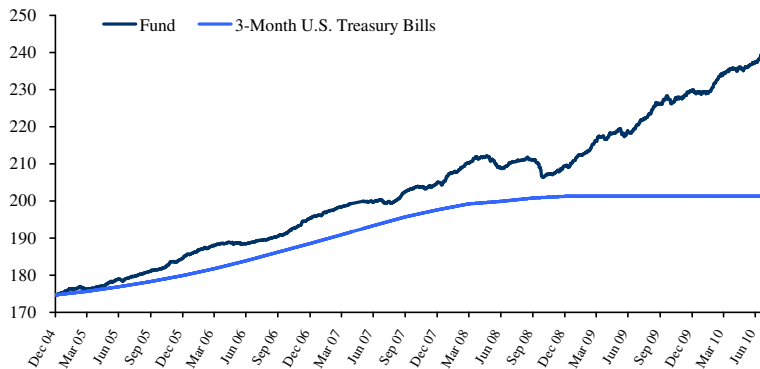
Returns are net of fees. Past Performance is not an indication of future returns.

Fund Manager's Report

The assumption to power of the Aquino administration brought in new hope to investors, allowing Philippine USD-denominated ROPs to soar. Prices increased by 4% on average and by as much as 9% for the longer-dated bonds, while yields fell by 50 bps on average in July. ROP investors likewise took in stride news of the government's plan to increase borrowings by PHP58Bn, with the additional bond supply to be split between local and foreign debt. Announcements from government officials about their concerted efforts to increase tax collection and keep this year's fiscal deficit within the PHP325Bn target (equivalent to 3.9% of GDP) painted a more positive picture for the country. Talks with credit rating agencies have also been initiated to have the country's sovereign credit rating upgraded. Overall, investors' appetite for risk continued to grow, as evidenced by last month's rise in global equities.

Against this backdrop, the Fund outperformed the benchmark 3-month US Treasury bill for the month of July.

Net Asset Value Per Unit



Net Asset Value, end-of-quarter USD 92.19 Million
NAV Per Unit (NAVPU) USD 240.84
Par Value USD 100.00

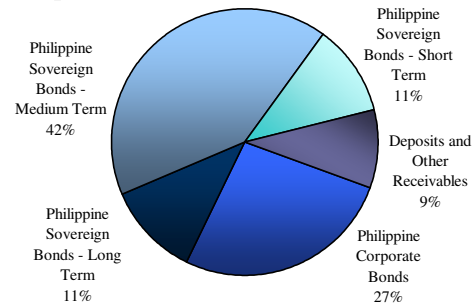
Risk Disclosure

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

Security	% of Fund
Republic of the Philippines Bonds 8.250% 01/15/2014	17.0
Republic of the Philippines Bonds 8.375% 02/15/2011	11.7
Republic of the Philippines Bonds 8.875% 03/17/2015	11.5
SM Investments Corp. Bonds 6.000% 09/22/2014	11.0
Republic of the Philippines Bonds 9.000% 02/15/2013	10.9
Universal Robina Corp. Bonds 8.250% 01/20/2012	5.1
Republic of the Philippines Bonds 8.750% 10/07/2016	4.0
Retail Treasury Bond 2.8750% 04/29/2013	3.9
Republic of the Philippines Bonds 8.000% 01/15/2016	3.2
BPI Certificate of Deposit 09/02/2010	3.1

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			
	Jul 31, 2010	Low	High	Average
Duration	2.93	2.72	3.66	3.18
Volatility, Past 360 Days	1.46%	1.32%	1.54%	1.44%
Sharpe Ratio, Past 360 Days	5.85			

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 conservative 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.