

# BPI Global Philippine Fund

November 30, 2009

BPI ASSET MANAGEMENT is backed by years of leadership in trust and investment management, with over PHP440 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	8.81%	0.14%
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.

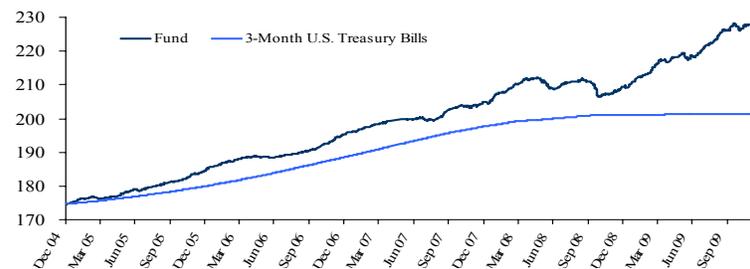
## Fund Manager's Report

US dollar-denominated ROP prices rallied by 0.6% in November as the market found relief on the announcement that Dubai World, the state-owned conglomerate of Dubai was already in constructive talks with its bank creditors for only half and not their entire USD 59 Bn dollars in debt. Investors were reassured that Dubai's debt woes were under control and hopefully, would be an isolated case. Investors also shrugged off the lower-than-expected GDP figures showing that the Philippine economy expanded by a mere 0.8% in the 3rd quarter this year which was below expectations. As remittances from overseas workers are anticipated to increase over the coming holidays, we expect this would continue to lend support for Philippine dollar-denominated debt.

US Treasury bond yields were lower by 16 bps as the market sought the relative safety of government debt after Dubai World's announcement. This caused spreads of the ROPs over US Treasuries to widen by 13 bps month-on-month.

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

## Net Asset Value Per Unit



Net Asset Value, average for the quarter	USD 60.85 Million
Net Asset Value, end-of-quarter	USD 71.08 Million
NAV Per Unit (NAVPu)	USD 227.91
Par Value	USD 100.00

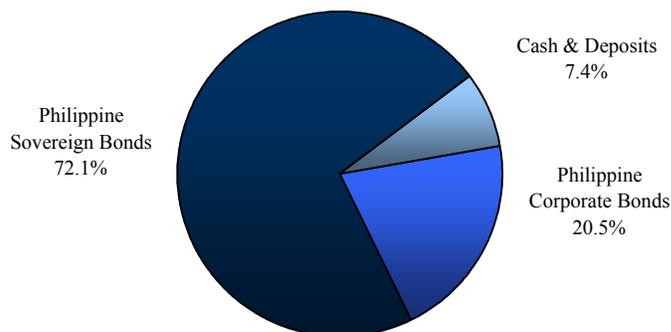
## Risk Disclosure

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: Ba2 (Moody's) / BB- (S&P)

## Top 10 Holdings

	% of Fund
Republic of the Philippines Bonds 8.250% 01/15/2014	19.0
Republic of the Philippines Bonds 8.375% 02/15/2011	14.3
SM Investments Corp. Bonds 6.000% 09/22/2014	10.7
Republic of the Philippines Bonds 9.875% 03/16/2010	9.1
Republic of the Philippines Bonds 8.875% 03/17/2015	5.8
Universal Robina Corp. Bonds 8.250% 01/20/2012	5.2
Republic of the Philippines Bonds 6.500% 01/20/2020	5.2
Republic of the Philippines Bonds 9.000% 02/15/2013	5.0
JG Summit Corporate Bonds 8.000% 01/18/2013	3.7
Republic of the Philippines Bonds 8.750% 10/07/2016	3.4

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

## Risk Characteristics

	Past 12 Months			
	Nov 30, 2009	Low	Hi	Average
Duration	3.36	0.75	3.66	2.20
Volatility, Past 360 Days	1.37%	1.31%	1.49%	1.37%
Sharpe Ratio, Past 360 Days	6.97			

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 days
Early Redemption Fee	0.25%
Trust Fees <sup>1</sup>	1.00% per annum 0.26% per quarter
Custodianship Fees <sup>2</sup>	0.003%
External Audit Fees <sup>3</sup>	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

<sup>1</sup>Trust fees paid for the quarter as a percentage of average daily NAV for the quarter.

<sup>2</sup>Custodianship fees billed for the quarter as a percentage of average daily NAV for the quarter.

<sup>3</sup>External Audit fees as a percentage of end-year 2008 NAV.