



As of January 31, 2011

Investment Objective

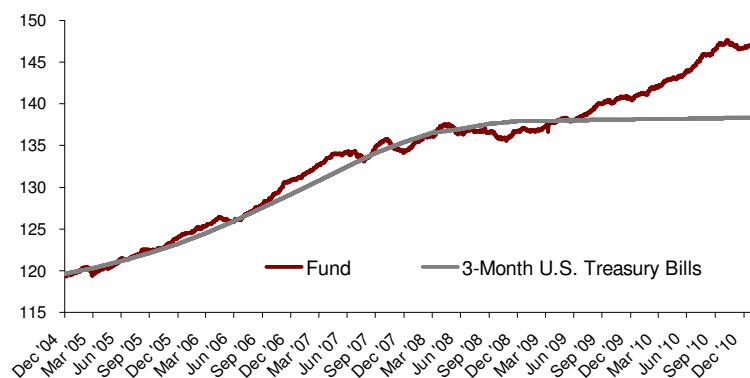
To achieve capital appreciation and income derived from a diversified portfolio of foreign currency-denominated fixed income instruments with an investment-grade average portfolio credit rating.

Fund Performance

Absolute Returns	Fund	3-Month U.S. Treasury Bills
Year-to-date	0.27%	0.01%
2010	4.34%	0.14%
2009	2.81%	0.15%
2008	1.86%	1.80%
2007	2.57%	4.67%
2006	5.57%	4.64%

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

Net Asset Value Per Unit



Net Asset Value USD 17.74 Million
NAV Per Unit (NAVpu) USD 147.08
Par Value USD 100.00

Fund Manager's Report

Monthly Commentary

Global inflation fears amid rising food prices triggered a new round of "risk-off" sentiment, causing investors to sell down emerging market (EM) debt. Inflation rates in EM countries are believed to be more susceptible to higher food prices as food items make up a larger portion of price indices in these economies. Political unrest in Africa, especially in Egypt, and the possible disruption of trade coursed through the Suez Canal, also fanned fears that oil prices could further rise.

Philippine dollar-denominated bonds did not escape the contagion effect as prices fell by 0.85% on the average. Bonds were hit especially on the long end even as the 2010 full-year GDP figure came in better than expected at 7.3% and bolstered the view that the Philippine economy remains in good shape. The 5-year Philippine credit default swap also widened by 15 points from the 125 level to 141.275 by end-January.

On the supply side, the Philippine government plans to issue longer-term dollar-denominated debt this year. A clear example of this is the issuance in January of the equivalent of USD1.25 billion in 25-year Global Peso Notes, which allowed the government to refinance its maturing 2011 ROP bond at a significantly lower cost. Some local companies including Energy Development Corp. (EDC) also issued new dollar bonds to take advantage of low interest rates.

US Treasury yields rose by just 3 bps month-on-month as prices slightly dipped at month-end after US consumer spending was shown to have accelerated in December. Safe-haven assets were sold off while US equities rebounded following a raft of better-than-forecast economic data releases in the US.

Strategy

The Fund recently invested in Pacific Income Management Company (PIMCO), the world's largest fixed income manager to gain greater access to other debt markets. PIMCO has 11 offices worldwide and is run by two of the world's most respected bond fund managers. In particular, PIMCO GIS Total Return Bond Fund seeks to maximize total returns by investing in investment-grade securities, primarily in the US and other countries.

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 and currency movements and the changes in the credit quality of the investments. On redemption of units, an investor may receive an amount less than the original amount of the investment. Liquidity risk also need to be taken into account.

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.

BPI International Fund Plus is a Unit Investment Trust Fund (UITF) and not a bank deposit product. It is not guaranteed by BPI nor by the Philippine Deposit Insurance Corporation (PDIC). As such, units of participation of the investor in the UITF, when redeemed, may be worth more or worth less than his/her initial investment/contributions. Due to the nature of the investments, yield and potential yields cannot be guaranteed. Any income or loss arising from market fluctuations and price volatility of the securities held by the UITF, even if invested in government securities, is for the account of the investor. Historical performance, when presented, is purely for reference purposes and is not a guarantee of future results. The Trustee is not liable for losses, unless upon willful default, bad faith or gross negligence. For the purpose of lodging, clearing, settlement, and delivery of securities in the Fund, the Trustee is authorized to avail of the services of third party institutions such as but not limited to custodians which the Trustee may change or replace without prior notice to or approval from the investors. The Trustee will not be responsible for any loss or damage suffered by the Fund as a result of the third parties' willful default, gross negligence, or evident bad faith. Investors are advised to read the Declaration of Trust for the Fund, which may be obtained from the office of the Trustee, before deciding to invest. For inquiries, please call: (632) 845-5080, (632) 845-5087 or (632) 816-9053, email bpi_trust@bpi.com.ph or visit www.bpiexpressonline.com.

Fund Facts

Launch Date	November 2, 1998
Structure	Unit Investment Trust Fund
Fund Type	Intermediate Bond Fund
Client Suitability	The Fund is suitable for investors with at least a moderately conservative profile
Base Currency	US Dollar
Minimum Initial Investment ¹	USD 500.00
Minimum Transaction ¹	USD 200.00
Minimum Holding Period	30 calendar days
Early Redemption Fee	0.25%
Trust Fees	0.75% per annum 0.19% per quarter ²
Foreign Fund Managers	Morgan Stanley and PIMCO
Management Fees ³	0.13% per month
Custodianship Fees ⁴	0.003%
External Audit Fees ⁵	0.02%
Special Expense ⁵	PHP 2,000.00 per annum
Valuation Methodology	Mark-to-Market
Trustee and Fund Manager	Bank of the Philippine Islands
Available Thru	Bank of the Philippine Islands Branches
Custodian	HSBC Bank of New York
External Auditor	Isla Lipana & Co.
Dealing	Daily up to 12 noon
Bloomberg Ticker	BPIINFP PM

¹Contribution rounded down/ redemption rounded off to the nearest whole unit.

²Trust fees paid for the quarter as a percentage of average daily NAV for the quarter.

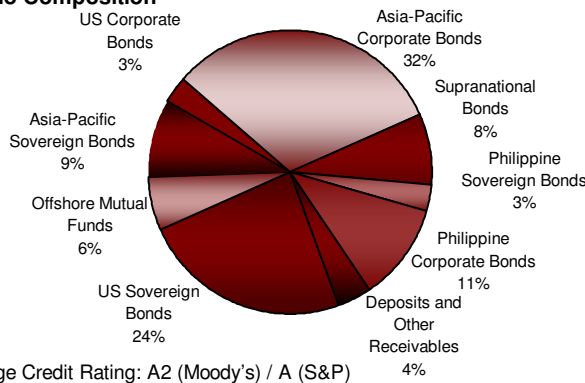
³Management fees paid to foreign fund managers as a percentage of average daily NAV for the month

⁴Custodianship fees billed for the quarter as a percentage of average daily NAV for the quarter.

⁵External Audit fees as a percentage of end-year 2008 NAV.

⁶For publication expense.

Portfolio Composition



Average Credit Rating: A2 (Moody's) / A (S&P)

Top 10 Holdings

	% of Fund
US Treasury Notes 1.000% 08/31/2011	22.8
State Bank of India Corporate Bonds 4.500% 07/27/2015	5.7
PIMCO Total Return Bond Fund	5.6
Int'l Bank for Reconstruction & Dev't Bonds 03/04/2011	5.6
Rizal Commercial Banking Corp. 6.250% 02/09/2015	3.3
Singapore Telecom Corporate Bonds 6.375% 12/01/2011	3.2
Korea Electric Power Corporate Bonds 7.750% 04/01/2013	3.1
HongKong Sovereign Bonds 5.125% 08/01/2014	3.1
Hutchison Whampoa Intl Corporate Bonds 6.500% 02/13/2013	3.0
Telekom Malaysia Berhad Corporate Bonds 5.25% 09/22/2014	3.0

Any prospective investment shall be limited to the type of investments described in the Prospectus of the Fund.

Risk Characteristics

Risk Measures	Past 12 Months			
	Jan 31, 2011	Low	High	Average
Duration	2.41	2.05	2.49	2.29
Volatility, Past 360 Days	0.85%	0.79%	1.17%	0.89%
Sharpe Ratio, Past 360 Days	4.67			

Duration measures the sensitivity of NAVps 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.