

# **Objective and Strategy**

Obtain a net return superior to traditional short-term banking products and pay monthly dividends, by investing in a diversified portfolio comprised of fixed income financial instruments and hybrid capital securities that generate cash flows, denominated in US dollars and issued by public or privat enterprises domiciled in Panama and other Latin-American countries.

## **Terms and Conditions**

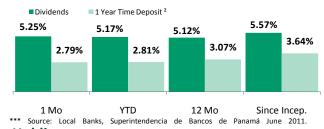
Address:	Repub
Inception Date:	Septer
Type of Fund:	Closed
Currency:	USD
Net Assets:	\$39,48
Minimum Suscription:	\$10,00
Suscriptions:	Month
Type of Shares:	Nomin
ISIN:	PAL32
Dividends Payments:	Month
Management and Custody:	1.00%
Redemptions:	Quarte
	Senter

Republic of Panama September 5, 2008 Closed end USD \$39,485,129.62 \$10,000.00 Monthly Nominal Class B PAL3261791B3 Monthly 1.00% Quarterly in March, June, September, and December, at the issuer's discretion

## Legal & Custody

Investment Manager: MMG Asset Management\* Brokerage: MMG Bank Corporation<sup>1</sup> Payment Registry: MMG Bank Corporation<sup>1</sup> Registry: National Securities Comission Listing: Panama Stock Exchange Custodian: Latinclear External Auditors: Deloitte Morgan & Morgan Legal Counselor:

#### Returns



**Top Holdings** 

Transportadora de Gas del Interior	7.04%
Sociedad Urbanizadora del Caribe S.A. Sucasa	6.34%
Mexichem	6.03%
Bancolombia	5.28%
BBVA Bancomer S.A.	5.25%
Banco Industrial de Guatemala	5.22%
Empresa Electrica de Guatemala EEGSA S.A.	4.12%
Empresas ICA S.A.B.	4.01%
Banco Bradesco	3.89%
Petroleum Company of Trinidad & Tobago	3.86%

## **Additional Information**

Past performance is not indicative of future results. The represented investment period is not significant. The risks inherent in investing in the fund are detailed in the offering memorandum. Interested investors must read the prospectus, available at the offices of MMG Bank Corporation. This summary must not be considered a recommendation to invest.

(\*) Regulated by the Securities and Exchange Commission of Panama. Licensed to act as Investment Manager. (<sup>1</sup>) Regulated and supervised by the Superintendency of Banks of Panama and the Securities and Exchange Commission of Panama. Licensed to act as Brokerage House.

 $(^2)$  The comparison among average time deposits is presented in terms of dividend return, not risk. Consult your RM.

(<sup>3</sup>) Securities issued in Panama. Some may have local credit rating.

### **Portfolio Distribution**

### By Asset Type:

Bonds	79%
Cash and Other Assets	3%
Sovereign	3%
Preferred	2%
Deposits	1%
Commercial Paper	12%

### By Country:

Panama 33%
Mexico 16%
Colombia 13%
Guatemala 12%
Brazil 11%
Trinidad y Tobago 4%
Peru 4%
Argentina 3%
Costa Rica 2%
Chile 2%



#### By Sector:

by Sector.				
Financial Serv Private Capital				39.40%
Infrastructure		21	1.41%	
Industrial		11.87%		
Real Estate		7.35%		
Commerce	4.98%			
Commodities	3.9	9%		
Services	3.9	7%		
Hotels and Restaurants	2.98%			
Sovereign	2.67%			
Financial Serv Excluding Banks	1.37%			
Financial Serv Supranational	0.00%			

#### By International Credit Rating:

	AAA	0%	
1	AA	0%	
1	A	5%	
	BBB	21%	
	BB	40%	
	Less than B	0%	
	No Credit Rating <sup>3</sup>	34%	

53 E Street Marbella, Republic of Panama P.O. Box 0832-02453 Phone: (507) 265-7600 Fax: (507) 265-7601 E-mail: marielena.gmaritano@mmgasset.com