



GLOBAL PREFERRED SECURITIES TRUST

Investment Objective

The Trust's investment objectives are to provide holders of the units with a stable stream of tax efficient monthly distributions and enhance the total return with capital appreciation.

Sovereign Asset Management

Monthly Commentary for the Period Ending January 31, 2006

Treasuries moved significantly in January as the Federal Reserve raised rates by 1/4 point to 4.50%, its fourteenth rate hike in a row. The ten-year yield began to show signs of weakening, hitting a low of 4.32% mid-month and ending January at 4.52%.

Although treasuries sold off during the month, preferreds performed well due to the strength of the utility sector. The Dow Utility Index and the S&P Utility Index returned 2.16% and 2.34%, respectively. Furthermore, tax advantage preferreds, particularly DRD-eligible issuances, had a strong month as did fully taxable preferreds, which make up the majority of the Fairway funds.

General Motors preferreds performed well in January, primarily due to their recently announced price-cutting programs and attractive prices. Renaissance RE and PLC Capital Trust posted solid results, as they began to recover from recent hurricane and insurance claims. The Royal Bank of Scotland also contributed positively to the portfolio, as foreign holdings in general enjoyed a strong run in January.

GLOBAL PREFERRED SECURITIES TRUST (GPT.UN)

Top 20 Holdings

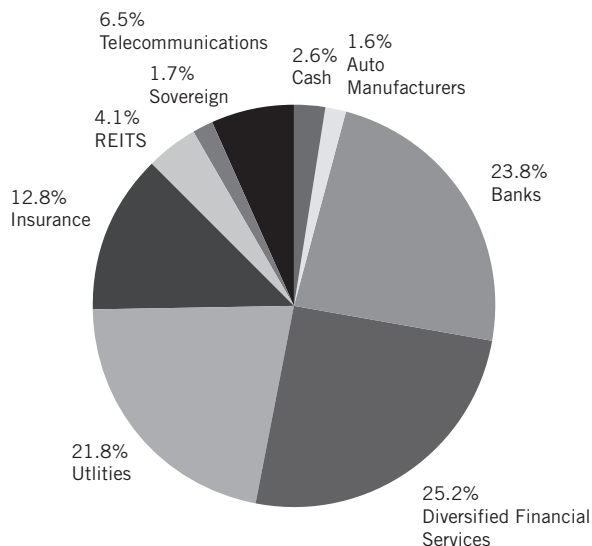
as of January 31, 2006



	% Of Mkt Value
Nexen Inc	3.09%
FPC Capital I	2.60%
BGE Capital Trust II	2.49%
Telephone & Data Systems Inc	2.39%
HSBC Finance Corporation	2.29%
US Cellular	2.29%
UBS Preferred Funding Trust III	2.28%
Great Plains Energy Inc	2.13%
ING Group NV	2.12%
Phoenix Companies Inc	2.09%
Merrill Lynch Preferred Capital Trust V	2.07%
Lincoln National Capital VI	2.02%
Banco Santander	2.00%
SLM Corp	1.91%
Verizon New England Inc	1.87%
AXA	1.84%
Lloyds TSB Bank Plc	1.84%
BNP Paribas Capital Trust V	1.84%
HBOS Capital Funding LP	1.83%
Duke Realty Corp	1.83%

Portfolio Details

as of January 31, 2006



**GLOBAL PREFERRED SECURITIES TRUST
(GPT.UN)**

Asset Allocation

as of January 31, 2006

