



## 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.



### John Hancock Advisers LLC

#### *Monthly Commentary for the Period Ending September 30, 2005*

The Global Preferred Securities Trust performed well during September.

Although the markets for the most part climbed a wall of worry – high oil prices, rising short-term interest rates, a rising Federal budget deficit, inflationary fears, falling consumer sentiment, and escalating hurricane damage costs from two major storms hitting the U.S. Gulf Coast – preferreds performed well. While they did overall retreat marginally during the month – down less than 1% – our performance was positive given our currency hedge.

Preferred issuances slowed quite a bit during September, as issuers and investors tried to sift through the month's major events. We chose not to participate in the deals that did come to market, as they were not fully taxable and, we believe, carried a higher risk premium.

Overall, the higher quality and higher yielding preferreds (yielding 6-7% or more) performed better than their lower yielding counterparts. In this uncertain market, investors seem to favor higher quality issues.

Despite pressures for the Fed to take a break, it once again raised short-term interest rates at its "measured" pace from 3.5% to 3.75%, marking the 11<sup>th</sup> consecutive increase. The Fed also indicated it would continue its measured increases, despite core inflation remaining low. The central bank remained concerned that higher energy prices and other costs could add to inflationary pressures.

## GLOBAL PREFERRED SECURITIES TRUST (GPT.UN)

### Top 10 Holdings

as of September 30, 2005

	% Of Mkt Value
Nexen Inc PRF	3.00%
Telephone & Data Systems Inc PRF	2.50%
US Cellular PRF	2.40%
HSBC Finance Corp PRF	2.30%
UBS Preferred Funding III TR	2.30%
FPC Capital I PRF	2.10%
Phoenix Companies Inc PRF	2.10%
ING Group NV PRF	2.10%
BGE Capital TR II PRF	2.00%
Merrill Lynch PRF Cap TR PRF	2.00%



### Portfolio Details

as of September 30, 2005

