

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 October 31, 2004

For the month of October, the Global Preferred Securities Trust Fund rose as Treasury prices held firm and rallied slightly. Typically, fixed-income preferreds tend to follow Treasuries. In addition, there continued to be a lack of new issues in the preferred market, which helped the supply/demand equation. Within the portfolio, utility convertible preferreds did well, as utility common stocks rallied; the financial preferreds performed in line with the overall preferred market. While we added to a few of our holdings during the month, we did not make any major changes. The portfolio remains fully invested.

Economic indicators overall showed that the economy continued to grow; however, some indicators were mixed. During the month, it was released that third quarter U.S. gross domestic product (GDP) grew at an annual rate of 3.7%, faster than the second quarter's 3.3%, though less than expected. The Chicago Purchasing Managers' index (PMI) also showed a strong increase, rising to 68.5 from 61.9 in September. The new-orders index of the PMI hit a 30-year high. The U.S. dollar fell to an eight-month low, oil prices hit record highs, and gold came close to a 16-year high. While it was reported that retail sales surged in September, consumer confidence fell. The decline in consumer confidence was attributed to higher energy prices and weak job growth. New home sales continued to show strong growth, though housing starts slowed.

October was a lackluster month for the fixed income markets. Yields decreased marginally with 10-year rates dropping by 10 basis points to 4.02%. The economic news continued to show growth and, from all appearances, the soft patch from early summer has ended. While growth will not likely accelerate substantially from here, we believe we should see GDP growth between 3% – 4%. As the market rallied and the yield curve flattened, longer dated securities outperformed. Lower quality corporate bonds were again the star performers across the credit curve, as spreads continued to grind tighter. Shorter duration bonds underperformed, though marginally, as the curve flattened and yields decreased less.

GLOBAL PREFERRED SECURITIES TRUST (GPT.UN)

While U.S. equity markets rose for the month, they first moved lower as oil prices rose. The markets rose sharply during the last week of the month as oil prices fell approximately 9%, and investors looked forward to the end of our presidential election cycle. During the month, the information technology, utilities and consumer staples sectors did well; health care and materials did not. For the month, small- and mid-cap (capitalized) companies outperformed large cap companies. Mid-cap growth companies were the true winners for the month, increasing almost twice as much as large caps.



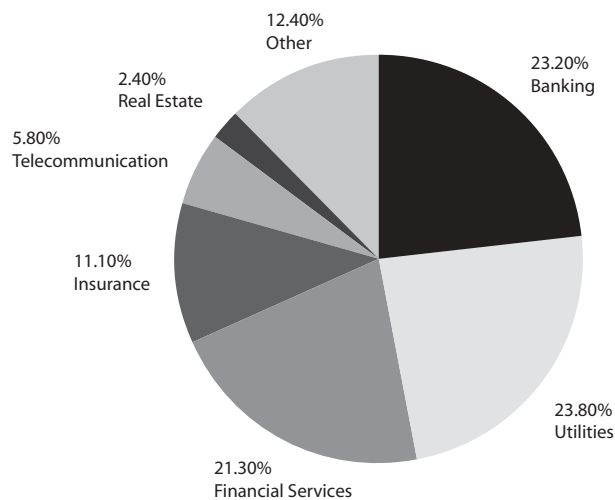
Top 10 Holdings

as of October 31, 2004

	% Of Mkt Value
Nexen Inc	2.70%
Household Finance Corp	2.40%
Telephone & Data Systems Inc	2.20%
UBS Preferred Funding TR	2.10%
General Electric Cap Corp PRF	2.00%
US Cellular	1.90%
ING Group NV	1.90%
FPC Capital I	1.90%
Merrill Lynch Pref Cap TR V PRF	1.90%
Phoenix Companies Inc	1.90%

Portfolio Details

as of October 31, 2004



For more information please contact FAIRWAY CAPITAL MANAGEMENT.

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