

Named portfolio manager(s):

Rolf Stout (since June 1989)

Peer group: Global Mainstream Equities

Location: Amsterdam

Launch date: August 1973

Fund size (June 2010): US\$4.1m, €3.2bn

Contact group: +31 20 52 75 269 or

www.bnpparibas-ip.com

Further information on S&P's fund coverage can be found at www.FundsInsights.com

Standard & Poor's opinion (August 2010)

BNP Paribas OBAM fund benefits from a relatively small but highly experienced team. The two key decision-makers on the fund are Rolf Stout, with 36 years' investment experience, and Peter Ranty, with 26 years. They are supported by four team members, none of whom has more than six years' experience. However, we believe that the resources are appropriate given the investment approach, which is based on a mix of long-term strategic ideas and shorter-term tactical ideas. The approach has been fine tuned over the past few years after the severe underperformance of the fund following the collapse of Lehman Brothers as Stout realised that there are times when long-term themes do not work.

The acquisition of Fortis Investments by BNP Paribas has not made much difference as this team operates as an independent unit. The main difference is likely to be the increased sales effort by the BNP team to market this Luxembourg fund.

While the long-term performance record of the fund is impressive, unitholders have suffered from periods of sharp underperformance as in the period from 2000 to 2003, and in 2008. Additionally, the fund suffered in the first five months of 2010 from currency hedging two-thirds of the dollar exposure into euros. The five-year track record is in the top 30% of funds but the fund has a significantly higher-than-average volatility resulting in an average information ratio.

We continue to be impressed with Stout and Ranty and, as a result, maintain the S&P AA rating, although it is under pressure.

Fund manager & team

Rolf Stout and Peter Ranty are the two main drivers behind this strategy, which has €3.8bn under management. They are both very experienced managers and are supported by Roeland Tso, who has six years' experience, and Edwin Simon and Nurit Konijnendijk who each have three. The team has been relatively stable, with Stout and Ranty in place since 2003. The team works as an independent unit with BNP Paribas IP but can draw on the broader group for additional support.

Rolf Stout - economics (University of Amsterdam), started as an analyst at Mees & Hope in 1974, becoming head of equities of MeesPierson Capital Management (later acquired by Fortis) in 1986.

Peter Ranty - economics (University of Amsterdam), RBA, joined AMRO Bank as an analyst in 1984, moving to ABN Securities in London in 1988, and Paribas Capital Markets London in 1990. In 1991 he joined private bank Van Lanschot, moving in 1996 to Amev group to manage European equities, then Asia ex Japan equities for Fortis. He joined OBAM in 2003.

Roeland Tso - economics (University of Amsterdam) started at VermogensGroep as an investment analyst from 2004 to 2007, moving to Fortis Investments in 2007 as a portfolio constructor within the OBAM team. In 2009, became a portfolio manager within the OBAM team.

Management style

The fund seeks to outperform the MSCI World index by 4% a year through identifying significant, sustainable themes. The portfolio is constructed containing a mix of long-term strategic ideas and shorter-term tactical plays, split roughly 60:40.

Although the MSCI World index is used for performance purposes, the portfolio is constructed without reference to it. This results in potentially very high tracking error (ex post 10%+) against that index. The portfolio beta can be substantially greater than 1 and deviations at country, sector and market-cap level can be significant. Off-benchmark holdings have reached 50%.

Following volatility in 2008, greater attention is paid to medium-term market developments, with 60% long-term themes and 40% tactical themes and a portfolio of 90-120 stocks. Turnover remains low but is higher than before.

Stock selection is secondary to researching the theme, but tends to focus on undervalued growth, credible management, newsflow and sentiment. The team draws on a network of both internal and external trusted experts to gain specific stock insight.

Currencies may be actively hedged and cash may be as high as 15%. Index futures may also be used.

Investment style

	Value	Blend	Growth
Large-Cap			
Mid-Cap			
Small-Cap			

Performance statistics

	Three years
Fund	-44.2%
Standard & Poor's peer median	-30.7%
Index**	-26.3%
Fund rank	4140/4406
Volatility adjusted ranking	1405/4406

Note: returns are cumulative

Three-year risk characteristics

Maximum drawdown (%)	-35.8
Volatility	39.6
Correlation	0.9
Beta	1.6

Calendar year decile ranks



Decile ranking in discrete annual periods. First decile shown as rank 10, second decile as rank nine, with tenth decile as rank one.

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BNP PARIBAS OBAM

Netherlands domiciled open-ended investment company

Fund owner: BNP Paribas

Fund manager: BNP Paribas Investment Partners

Portfolio & performance analysis (June 2010)

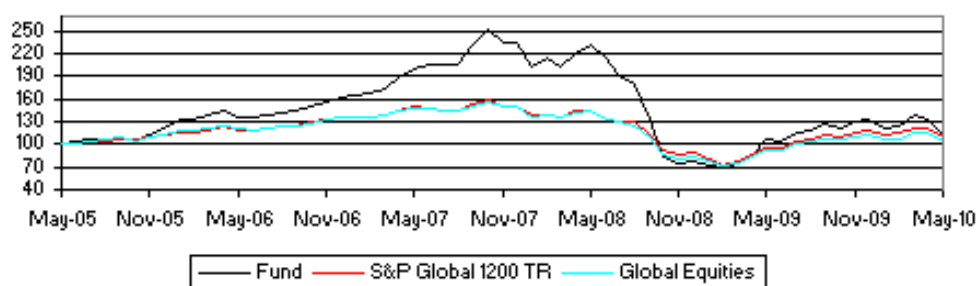
At the end of May 2010, the fund was, as expected, more concentrated, with 110 holdings instead of 129 the previous year. Six of the top 10 holdings remained, with turnover estimated at 25%.

Current long-term themes in the portfolio include a 9% overweight to energy in the belief that demand will outstrip supply, a bias towards large-caps and the elimination of a long-term underweighting to Japan on valuation grounds. Japan was increased in December 2009 initially through futures and then into stocks. Within the tactical portion of the portfolio, there are some sector themes: materials and mining; agriculture/chemicals, undervalued financials and small-caps. In addition, there has been a tactical increase to the Asia part of the portfolio, which is now 22% compared to 5% in the index. The team's view on China is very positive and it expects this to drive commodities, but believes in the need to be tactically ahead of increases in commodity supply.

The long-term track record of the fund is exemplary, outperforming the MSCI World by 4.35% a year since 1989. However, it has also experienced periods of very sharp underperformance such as in the bear market years of 2000-03, and also in 2008.

In 2008 the fund was hit hard by the collapse in cyclical stocks. This was particularly acute in H2, following the collapse of Lehman Brothers, when the fund lost all of the excess returns since June 2005. In 2009, performance has rebounded strongly and the fund is top decile, outperforming its benchmark by 40%. This strong recovery has been driven by the managers' willingness to stay the course during the downturn and enabled the fund to participate fully in the recovery in commodity stocks, with strong contributions from Freeport-McMoRan and Vale and an overweighting to Asia. In the first five months of 2010 the fund suffered from hedging two-thirds of US dollar exposure into the euro (January to May 2010), which cost 608bps. The overweight to Asia cost 450bps.

Cumulative performance



Discrete performance (calendar years)

	2006		2007		2008		2009		YTD 31/05/2010	
	%	Rank	%	Rank	%	Rank	%	Rank	%	Rank
Fund	33.7	111/3341	45.0	20/4037	-66.9	5059/5075	70.6	80/6066	-15.6	6148/6642
Index**	21.5		10.2		-40.1		31.7		-6.6	
Median	20.4		10.6		-43.7		32.6		-8.3	

** S&P Global 1200 (Industry)

Fund benchmark: MSCI World Index

Share class information

	Initial charge	Exit charge	Annual charge	Expense ratio	Lump sum	Savings plan	ISIN
NV	5.00%	0%	1.00%	N/A	one share	one share	NL0006294035

Registered for sale

STANDARD & POOR'S



Portfolio characteristics (1 June 2010)

No. of holdings	110
Turnover ratio (%)	25
% in top 10	32

Asset allocation

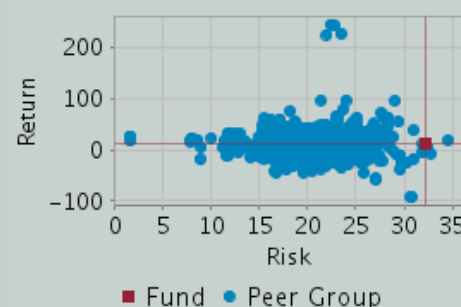
	%
Consumer discretionary	2.8
Consumer staples	7.8
Energy	19.2
Financials	26.1
Healthcare	6.8
Industrials	14.7
Materials	16.2
Technology	8.5
Telecommunications	0.1
Utilities	2.3
Cash	-4.5

Top 10 holdings

	%
ING *	5.1
Wells Fargo *	5.0
Vale Do Rio Doce *	3.8
ABB *	3.1
Freeport McMoRan Copper B *	2.9
General Electric	2.7
JPMorgan Chase *	2.6
P-Gas	2.4
Teck Resources	2.4
BNP Paribas	2.2

* In top 10 holdings a year ago

Risk return (standard deviation) over five years



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Symbols and definitions

Long-only fund ratings

AAA The fund demonstrates the highest standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

AA The fund demonstrates very high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

A The fund demonstrates high standards of quality in its sector based on its investment process and management's consistency of performance as compared to funds with similar objectives.

Fund-of-hedge-funds ratings

Absolute return fund ratings

Specialist fund ratings

AAA The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

AA The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

A The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency of performance relative to its own objectives.

Ucits III flexible beta fund ratings

AAA The fund demonstrates the highest standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

AA The fund demonstrates very high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

A The fund demonstrates high standards of quality based on its investment process, risk awareness and consistency relative to its own objectives and relative to comparable flexible beta funds.

All fund ratings

Not Rated (NR) Funds designated as Not Rated currently do not meet the requisite performance standards and/or the minimum qualitative criteria to achieve a fund rating.

Under Review (UR) Ratings are placed Under Review when significant management changes occur at the fund manager or fund management team level and Standard & Poor's Fund Services has not had the opportunity yet to evaluate their impact on the qualitative appraisal.

(New) Signifies where a major event has occurred for which there is no fund-specific track record available. This includes: funds recently launched, the implementation of a new investment process or mandate and may include structural changes within a fund team.

Tenure Review (TR) The fund manager/team involved in the management of the fund does not currently have the minimum 12 months relevant investment management experience required to be eligible to be considered for a rating.

Long-term fund management rating The fund has been rated in the A/AA/AAA fund rating band for five consecutive years or more, and continues to hold a rating.

Bond fund volatility ratings

The bond fund volatility rating is our current opinion of a fund's sensitivity to changing market conditions. Volatility ratings evaluate the fund's sensitivity to interest rate movement, credit risk, investment diversification or concentration, liquidity, leverage and other factors. For V1-V4 categories, risk is considered relative to a portfolio composed of government securities and denominated in the base currency of the fund.

V1 Bond funds that possess low sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within one to three years, and denominated in the base currency of the fund. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising the highest quality fixed income instruments with an average maturity of 12 months or less. Within this category, certain funds are designated with a plus sign (+), indicating extremely low sensitivity to changing market conditions.

V2 Bond funds that possess low to moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within three to seven years, and denominated in the base currency of the fund.

V3 Bond funds that possess moderate sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing within seven to 10 years, and denominated in the base currency of the fund.

V4 Bond funds that possess moderate to high sensitivity to changing market conditions. These funds possess an aggregate level of risk that is less than or equal to that of a portfolio comprising government securities maturing beyond 10 years and denominated in the base currency of the fund.

V5 Bond funds that possess high sensitivity to changing market conditions. These funds may be exposed to a variety of significant risks including high concentration risks, high leverage, and investments in complex structured and/or less liquid securities.

V6 Bond funds that possess the highest sensitivity to changing market conditions. These funds include those with highly speculative investment strategies with multiple forms of significant risks, with little or no diversification benefits.

Absolute return fund N ratings

The N rating is Standard & Poor's indication of a fund's potential capital stability in normal markets. It is a qualitative rating but is based on annualised weekly downside deviation. N1 is the most stable and N9 the least.