

CABEI Central American Fund P.L.C.

Ordinary Meeting No: 11092011

Non-Audited Financial Information: as at December 31, 2010

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1. Risk Rating

Fund	Previous Rating	Current Rating
Costa Rica		
CABEI Central American Fund P.L.C.	scrAAAf 3	scrAAAf 3
Honduras		
CABEI Central American Fund P.L.C.	scrAAAf 3 (hn)	scrAAAf 3 (hn)
Panamá		
CABEI Central American Fund P.L.C.	scrAAAf 3 (pan)	scrAAAf 3 (pan)

The **scr-AAA** rating is granted to funds which "quality and diversification of assets, strengths and weaknesses of the management provide the highest security against losses from default. "Excellent Level"

With regard to the market risk, the **3 Rating** is granted to funds with "high sensitivity to *changing conditions in the market*".

2. Foundations

- The Fund invests in securities of fixed income of sovereign and corporate entities of founder members of the BCIE and its extra regional members.
- The Central American region shows a good economic performance at the end of year 2010, highlighting Costa Rica with a growth economic rate of a 4%.
- As at December 2010, the Fund's assets amounted to US\$96.10 million, which was reflected in an increase of a 1.9% with regard to the same period of the last year. However, compared with the previous quarter, it shows a reduction of a 1.30%

- As at December 2010, the net value of the holding of CABEI Fund reaches a US\$1.785.63, which reflects an increase of 8.35% with regard to December 2009.
- The 64% of the managed portfolio is placed in issuers of the public sector of El Salvador, Costa Rica, and Guatemala. The remaining 36% of the portfolio is represented by securities of México, Panamá, Dominican Republic, Colombia and Nicaragua.
- El accrued yield of the Fund registries at the closing of 2010 an 8.3%, lower than the closing date of year 2009 of 18.4%.
- Finally, the modified duration of the CABEI Fund portfolio, a percentage of change in the price of the portfolio given a determined change in the average yield, shows a stable trend between December 2008 and December 2009 from 4.6% to 4.0%.

3. Description of the CABEI Central American Fund p.l.c.

The CABEI Central American Fund P.L.C. (CABEI Fund) is an open and non serial investment Fund that was approved for public bid by the General Intendance of Securities (SUGEVAL) in Costa Rica since July 31, 2003 by means of SGV-R-672 resolution. The Fund was approved since March 1999 as an Investment Company in the Ireland Republic, under the regulations established in that country and those of the European Union.

El Fund is oriented to invest mainly in securities issued by entities and sovereign debt of the regional and extra regional country members of the Central American Bank of Economic Integration (BCIE), in addition to Panamá, Dominican Republic and Belize.

The group of regional country members is compound by Costa Rica, Guatemala, Honduras, Nicaragua and El Salvador, meanwhile as extra regional members are

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Argentina, Colombia, México, Taiwan (Republic of China), Spain, Panamá and Dominican Republic.

Additionally, the issue of shares of the CABEL Fund was approved by the Management Committee of the Guatemalan National Stock Exchange (*Bolsa de Valores Nacional, S.A. de Guatemala*) in meeting held on February 17, 2006, and registered before the Registry of the Securities and Merchandises Market of such country on December 1st, 2006.

In this sense, due to the issue has being created under the current legislation of the Republic of Ireland, in case of litigious, the courts of such country will be competent.

In Guatemala the CABEL Fund has designated the Central American Bank of Economic Integration (CABEL) as Underwriter and it can appoint additional deputy underwriters to help in the search of investors for the Portfolio. Particularly, Citinversiones, S.A. has been appointed as Deputy Underwriter for the placement of the CABEL Fund in Guatemala.

In Panama, on April 11th, 2007 the National Committee of Securities of the Republic of Panama communicated that it did not sustain objections to the notification of the creation of a marketing relationship between the CABEL Central American Fund P.L.C. and the Brokerage House Securities Worldwide under Administration Co. - (*Mundial de Valores en Administración S.A.*) (*Mundial de Valores*). The notice means that Securities Worldwide is allowed to sell the CABEL Fund's Holdings in a private manner to its customers in Panama.

Afterward, on November 22, 2006 as well as on January 19, 2007, CABEL Fund and Securities Worldwide, respectively, signed a Deputy Branch Agreement, which main target is to authorize and register Securities Worldwide as local underwriter of the CABEL Fund's Holdings in Panama.

In an additional manner, the Administrator and Safeguard of the CABEL Fund, the Bank of Ireland Securities Services, got to an agreement with HSBC Panama so that this serves as Deputy Safeguard of the CABEL Fund to facilitate investments in Panama, Costa Rica, Guatemala and El Salvador.

The CABEL Central American Fund p.l.c. appointed since April 26, 1999 the Central American Economic Integration Bank as underwriter of its holdings in Honduras, in addition granting to it the faculty to appoint deputy underwriters. In this line, the Central American Bank of Economic Integration designated "*Fomento Financiero, S.A.*" (Financial Development, Corp.) Brokerage House as Deputy Underwriter for the Holdings of the CABEL Fund in Honduras by means of a contract signed on August 01, 2006.

Risk Advisors Co.

Finally on August 16, 2007, Financial Development, Corp. (*Fomento Financiero, S.A.*) Brokerage House submitted to the Secretariat of the National Committee of Banks and Insurance Companies of Honduras a request for authorization to trade in Honduras the Holdings of the CABEL Fund; which was answered in a positive way by means of Resolution N° 999, dated August 28, 2007, of the National Committee of Banks and Insurance Companies of Honduras based in the "Norms for the Trading of Investment Funds Established and Administered Abroad" approved by the same Committee.

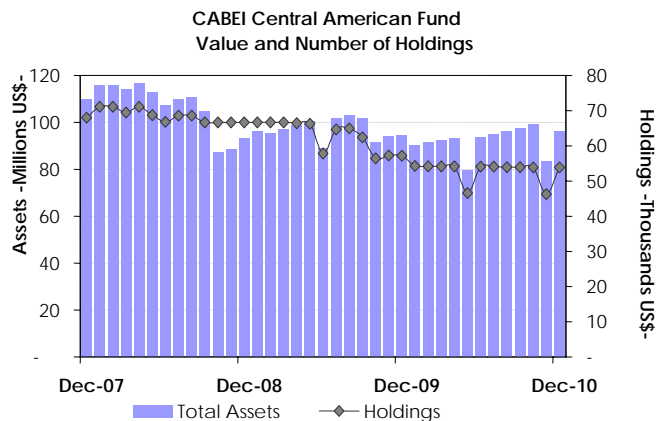
4. Managed Assets

The Central American region registered positive signs of economic performance at the closing of 2010. In this sense, Costa Rica's GDP registered a grew by around 4%, after the contraction shown the previous year, this recovery was sustained by the dynamism in exports (8.1%) and moderate expansion of consumption (3.5%) as well as fixed gross investment (3.4%).

Meanwhile El Salvador had less dynamism than the projected according to ECLAC, estimating that it will close the year 2010 with 1%. In the same manner, the inflation is expected to reach a 2% due to rising prices of the food and energy observed at the end of the year 2010.

On the other hand, Guatemala and Nicaragua also registry a dynamism of economic growth on the order of 2% and 3%, according to data published by the SECMCA.

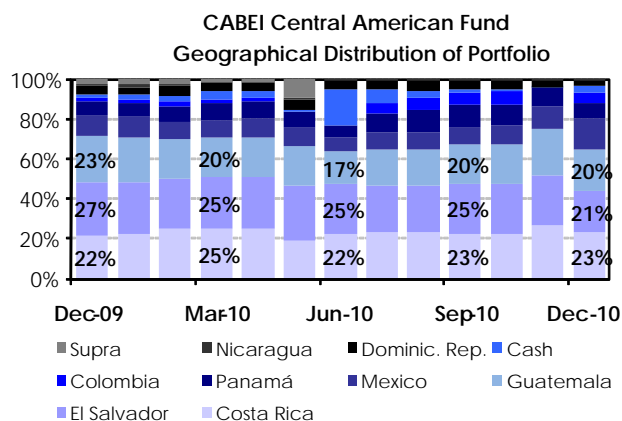
As at December 2010, CABEL Fund's assets amounted to US\$96.10 million, which represents an increase of 1.9% with regard to the same period of the previous year. However, compared with the previous quarter, it shows a reduction of 1.30%.



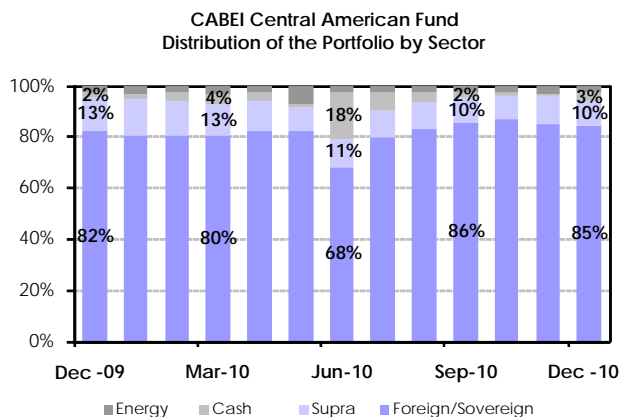
At the closing of 2010, the Fund registries 53.82 mil holdings, consequently decreasing in 5.9%. However, when compared with September 2010, it was less - 0.25%.

The 64% of the managed portfolio is placed in issuers of the public sector of El Salvador, Costa Rica, and

Guatemala. Of this total, Costa Rica has a 23% of participation.



The remaining 36% of the Portfolio was represented by securities of Mexico, Panama, Dominican Republic, Colombia and Nicaragua. In the case of Mexico, as at December 2010 it registered a deficit of only US\$219 millions due to the oil export was more elevated than expected, favoring the performance of its economy in this period.



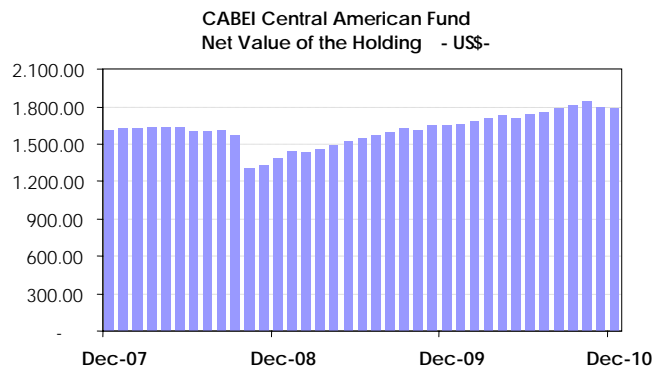
Between the fourth and third quarters of 2010, the holding of the Sovereign Debt on the total portfolio of the Fund remains at 85%. The CABI Fund according to risk rating owns 72% in "BB", 25% in "BBB", and 4% in "B". In this same context, the portion of the portfolio rated with international investment grade went from 25% to 20% between September and December 2010.

As at December 2010, the issues hold in the Fund with positive perspectives are Colombia, Dominican Republic and the Central American Bank of Economic Integration.

5. Performance of the Fund

The financial crisis originated in April 2010 as a result from the plea of junk bonds in Greece has not affected the good performance of the CABI Fund, although it is listed on the New York Stock Exchange; situation that is

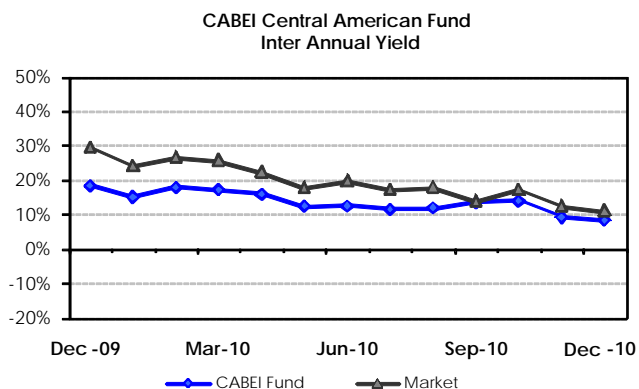
explained by the positive effect that most of the issues are made in emerging markets.



As at December 2010, the value of the holding of the CABI Fund reaches US\$1,785.63, which reflects an increase of 8.35% with regard to December 2009.

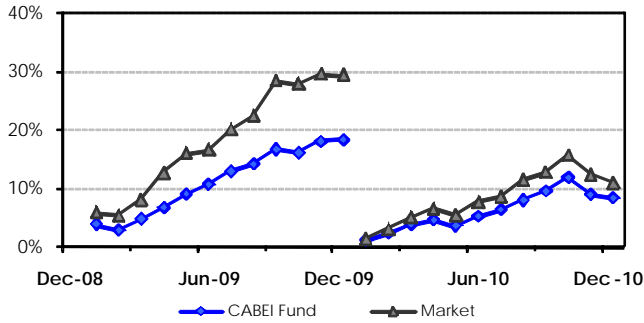
The net value of the holding offered by the Fund has registered a constant performance in the period under analysis when registers results similar during the first, second and third quarter of 2010 around 5%, showing a reduction of 2.60%.

On the other hand, the growth, measured at 6 months of the net value of the holding, reflects 2.97% up to December 2010, lower than the reached in December 2009, of 6.97% and higher than the one shown in December of 2008 of -13.46%.



As for inter annual yield of the Fund, it registries at the closing of 2010, 8.3% lower than the closing of the year 2009, 18.4%. Meanwhile its Benchmark is located in 11.01% in December 2010, lower than the registered a year before, of 29.35%. It was observed that the yield of the Fund managed to be similar in the previous quarter.

**CABEI Central American Fund
Yield during the Current Year**

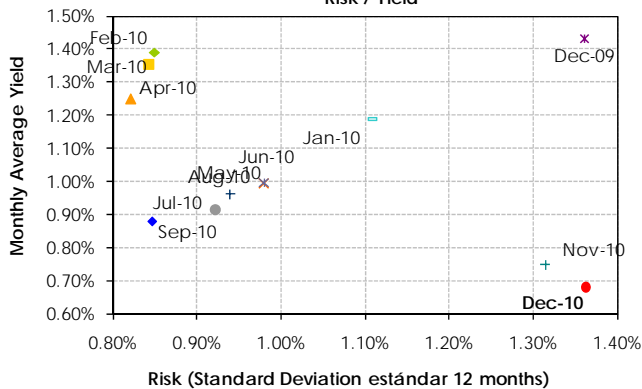


At the close of 2010, the economy at Central America's level registered a recovery in its growing timing, whose GDP at regional level reaches a growth of 2.4%, regardless of not having achieved the same levels than the rest of Latin America. Hand to hand with the above mentioned, this situation impacts in a positive manner on the sustained performance showed by the Fund in the period under analysis.

During the year 2010, the average monthly yield of the Fund was 1.07%, up to register an increase of 0.20 percentage points compared with the previous quarter. Meanwhile its standard deviation, which is placed in average around 1.01%, at the closing of December 2010 reaches an increase of 0.52 percentage points.

The risk yield ratio offered by the CABEI Fund improved notably, getting closer to its historical values, when the average monthly yield returns to show minimal values of 0.80% and maximum of 1.43% as at December 2010. Meanwhile its volatile had a minimal of 0.80% and a maximum of 1.36% in the same period under analysis.

**CABEI Central American Portfolio
Risk / Yield**

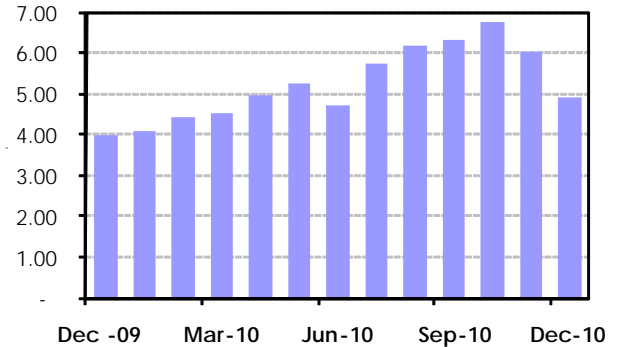


With regard to the duration modified of the CABEI Fund portfolio, the percentage of change in the price of the portfolio has given a certain change in the average yield, showing a stable trend between December 2008 and December 2009 from 4.6% to a 4.0% in agreement with the policy of the Administration, to follow a careful focus

of investment, which includes the reduction in the duration.

However, this trend was reversed between September and December 2010, when the indicator decreases from 6.3% to 4.9%, meanwhile the coupon rate remains closer to 7% in the period under analysis.

CABEI Fund - Average Modified Duration



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