

EMCO FUND (Emerging Markets Credit Opportunities FUND)

Fact Sheet for March 2009

Executive Summary

Fund Type	Hedge Fund
Domicile	DIFC, Dubai
Currency	US Dollar
Regulator	DFSA
Net Asset Value	Monthly
Liquidity	Monthly
Management Fee	2% p.a.
Share Registrar	HSBC Middle East
Administrator	HSBC Middle East
Custodian	HSBC Middle East
Auditor	Deloitte & Touche

Fund Summary

Yield	12.9 %
Average Coupon	6.4 %
Portfolio Modified Duration	1.7
Average Portfolio Rating	BBB+
3 Month USD LIBOR	1.14 %

Top 3 Long Positions

SABIC - Chemicals	13.40 %
DBS BANK LTD - Financials	10.14 %
HUTCH WHAM INTL - Diversified	10.14 %

Performance Summary

	EMCO Fund	CS Emkt Corp Bond (B) Index	CS Emkt Corp Bond (BB) Index
1 Month	3.5 %	5.7 %	5.5 %
3 Month	6.3 %	7.6 %	6.6 %
LTM (Last 12 Months)	-25.1 %	-31.9 %	-20.1 %
Inception	-27.0 %	-34.3 %	-19.8 %

Overview and Outlook

Your fund gained 3.5% this month.

This performance can be attributed to our concerted effort in repositioning the fund to higher quality shorter duration issues in the emerging market space.

Nakheel was the best performing issue on the back of the Dubai Govt. announcement of its \$20bn bond program, the proceeds of which will be used to support all government related companies, especially the real estate firms.

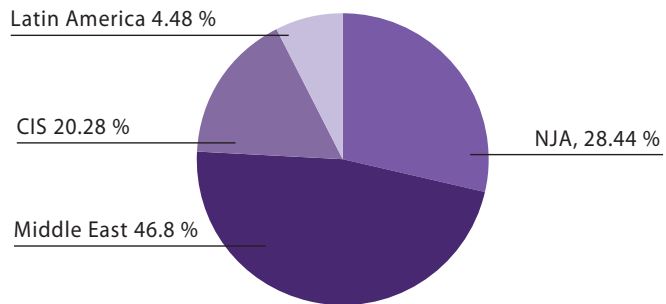
Currently we are 85% invested and 15% in cash which we will be deploying in the attractive new issues that are due to hit the market in the coming months.

We have reduced our gearing ratio to zero as stated in the beginning of the year strategy.

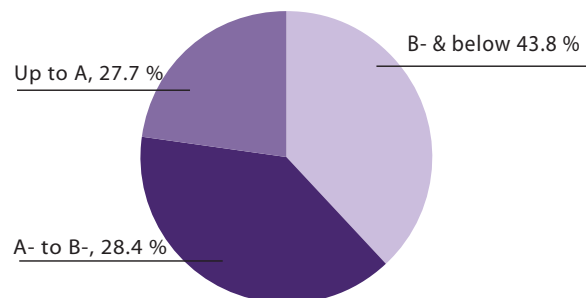
We continue to believe that in 2009 performance of high yielding high grade issues will outperform the rest of the high yield emerging market space. The default rates that current credit spreads are pricing in are unlikely to be hit and as such believe that corporate credit in general and high quality corporate credit in particular will be an attractive asset class for 2009.

Issued on April 07, 2009

Regional Composition



Ratings Breakdown



Mashreq Capital (DIFC) Limited
Regulated by the DFSA

Disclaimer: Performance data quoted represents past performance; past performance is not necessarily a reliable indicator of future returns. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted.

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