

Makaseb Emirates Equity Fund (MEEF)



Fund Description

Makaseb Emirates Equity Fund (MEEF) aims to achieve long term capital appreciation through investment primarily in shares listed on the UAE stock exchanges. The MEEF portfolio is constructed after careful evaluation of various factors including the liquidity of the stock, company fundamentals, profitability, and overall portfolio risk considerations.

Fund Managers Commentary

- Your fund lost 4.3% this month, outperforming S&P UAE Index by 1.0%, YTD return is -9.4% outperforming the benchmark by 3.6%.
- Our selection in Banks and Real Estate has slightly underperformed this month, meanwhile stock selection in Transportation added performance.
- Overweight position in Telecommunication, and exposure to Fixed Income along with tactical asset allocation has added performance.

Fund Returns

	MTD	YTD	1 Year	3 Years	SI
MEEF	-4.3%	-9.4%	-11.7%	-60.6%	-53.7%
Benchmark*	-5.3%	-12.9%	-13.0%	-52.3%	-49.2%

	2005	2006	2007	2008	2009	2010
MEEF	99.9%	-42.4%	50.2%	-72.7%	12.3%	-3.8%
Benchmark*	92.1%	-44.5%	43.3%	-68.9%	27.9%	-4.1%

Top Holdings

Aramex	11.0%
National Bank of Abu Dhabi	10.6%
Emirates Integrated Telcom	10.2%
Emirates Telecom	9.8%
First Gulf Bank	9.1%

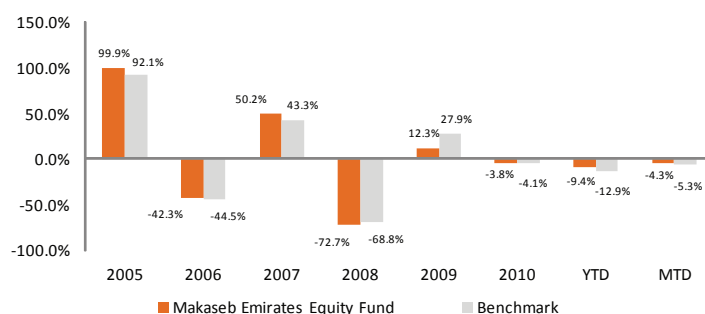
Risk/Return Profile Since Inception

	Fund	Benchmark	vs Benchmark
Excess Return	-4.6%		R Squared 77.2%
Beta	0.9		Information Ratio (0.3)
Sharpe Ratio	(1.8)	(1.7)	Treynor Ratio (0.6)
Skewness	0.1	(0.1)	Tracking Error 15.9%
Kurtosis	6.1	6.8	Correlation 0.9
SD	31.0%	31.0%	

Fund Details

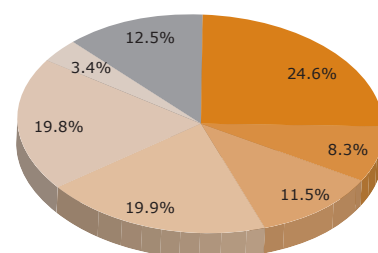
Fund Type	Open Ended
Domicile	Bahrain
Currency	USD
Regulator	Central Bank of Bahrain
Investment Manager	Mashreq bank PSC
Net Asset Value	Each Business day
Subscription/ redemption	Each Business day**
Management Fee	1.5% p.a.

Performance (Chart)



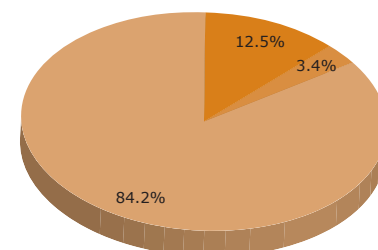
Industry Allocation

- Banks (24.6%)
- Capital Goods (8.3%)
- Real Estate (11.5%)
- Telecommunication Services (19.9%)
- Transport (19.8%)
- Fixed Income (3.4%)
- Cash (12.5%)



Asset Allocation

- Cash (12.5%)
- Fixed Income (3.4%)
- Equity (84.2%)



Performance Fee	"Up to 10% of the appreciation in the Net Asset Value (NAV) of the fund which exceeds 10% p.a. during a calendar year"
Auditor	Deloitte & Touche
Registrar	KeyPoint Consulting W.L.L, Bahrain
Administrator & Custodian	HSBC Middle East
Bloomberg Ticker	MAKEEFD BI
Zawya Code	MAKEMRE.MF

* MSCI UAE Domestic Index was the funds benchmark until Sep 29, 2010. Since Sep. 30, 2010 the S&P UAE Composite Index is the benchmark

** 2 business days notice

SI: Since Inception, SD: Standard Deviation, MTD: Month to Date, YTD: Year to Date

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