



Makaseb Emirates Opportunities Fund (MEOF)

Fund Description

Makaseb Emirates Opportunities Fund (MEOF) aims to achieve long term capital appreciation through investment primarily in shares listed on the UAE stock exchanges by using a dynamic asset allocation strategy. The MEOF portfolio is constructed after careful evaluation of market factors including liquidity and price action to determine the optimum market exposure. The monitoring and adjustment of market exposure is dynamic, in order to take into account changing market dynamics.

Fund Managers Commentary

- The UAE markets continued its downward correction in December with the DFM and ADX indices lost 2.3% and 0.4% respectively.
- Your fund lost 0.9% underperforming S&P UAE composite index by 0.7%.
- Our exposure to fixed income has lost ground as Qatar 40s has lost 2.5% this month causing the minor gap in performance
- Lack of exposure to the heavy weight index "DPW" has caused the minor gap in performance, as the stock added 5% gains despite the down ward trend in the overall market.
- Your fund ended 2010 flat outperforming its benchmark by 4%.

Fund Returns

	MTD	YTD	1 YEAR	3 YEAR	SI
MEOF	-0.9%	-0.1%	-0.1%	-47.6%	-58.8%
Benchmark*	-0.2%	-4.1%	-4.1%	-61.8%	-71.1%

	2005	2006	2007	2008	2009	2010
MEOF	-8.9%	-44.5%	55.5%	-64.6%	48.2%	-0.1%
Benchmark*	-4.9%	-44.5%	43.2%	-68.8%	27.9%	-4.1%

Top Holdings

First Gulf Bank	18.8%
State Of Qatar	17.5%
Emirates Nbd Pjsc	15.0%
Emaar Properties Pjsc	14.0%
Arabtec Holding Co	12.3%

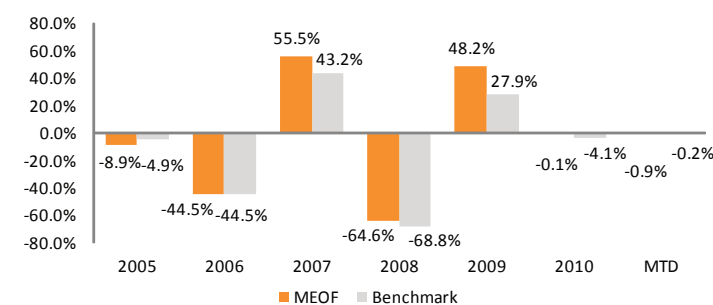
Risk/Return Profile Since Inception

	Fund	Benchmark	vs Benchmark	
Excess Return	12.2%		R Squared	52.0%
Beta	0.7		Information Ratio	52.5%
Sharpe Ratio	-2.1	-2.3	Treynor Ratio	-0.9
Skewness	-1.4	-1.0	Tracking Error	23.3%
Kurtosis	11.9	6.5	Correlation	72.1%
SD	29.3%	32.0%		

Fund Details

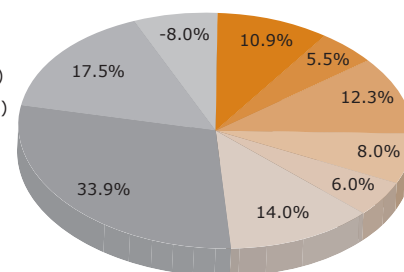
Fund Type	Open Ended
Domicile	Bahrain
Currency	USD
Regulator	Central Bank of Bahrain
Investment Manager	Mashreq bank PSC
Net Asset Value	Each Business day
Subscription/ redemption	Each Business day**
Management Fee	2.0% p.a.

Performance (Chart)



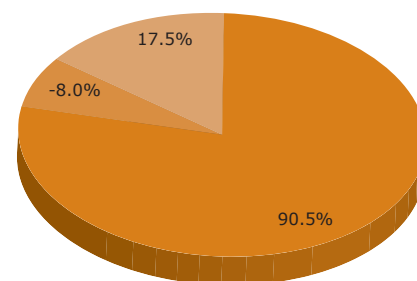
Industry Allocation

- Airlines (10.9%)
- Air Freight & Logistics (5.5%)
- Construction & Engineering (12.3%)
- Diversified Financial Services (8.0%)
- Diversified Telecom. (6.0%)
- Real Estate Mgt. & Devel (14.0%)
- Commercial Banks (33.9%)
- Bonds (17.5%)
- Cash (-8.0%)



Asset Allocation

- Equity (90.5%)
- Cash (-8.0%)
- Bonds (17.5%)



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
Fund Award	Lipper Fund Award 2009 & 2010 for best fund in the Equity UAE category
Auditor	Deloitte & Touche
Registrar	KeyPoint Consulting W.L.L, Bahrain
Administrator & Custodian	HSBC Middle East
Bloomberg Ticker	MAKEOFD BI
Zawya Code	MAKEMRD.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 (BB TICKER: IDGPAEPD)

** 2 business days notice

SI: Contact Us, SD: Standard Deviation, MTD: Month to Date, YTD: Year to Date

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