

MAKASEB EMIRATES OPPORTUNITIES FUND

Fact Sheet for April 2006

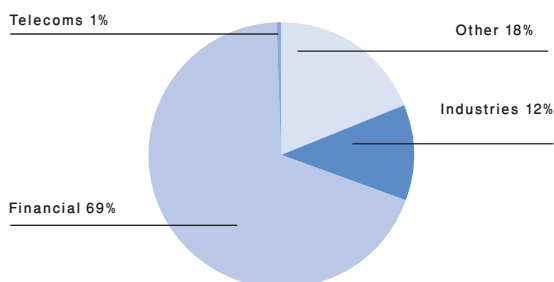
Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Bi weekly
Subscription	Bi weekly
Redemption	Weekly
Management fee	2.0% p.a.
Investment Manager	Mashreqbank psc
Share Registrar	Ernst & Young, Bahrain
Administrator	Gulf Investment Corporation
Custodian	Gulf Investment Corporation
Auditor	Deloitte & Touche
Primary listing	Bahrain Stock Exchange

Performance Summary

NAV (April 30, 2006)	USD 6.74
April 2006	-11.91%
March 2006	-1.09%
February 2006	-8.17%
January 2006	-6.26%
Since Inception	-32.55%

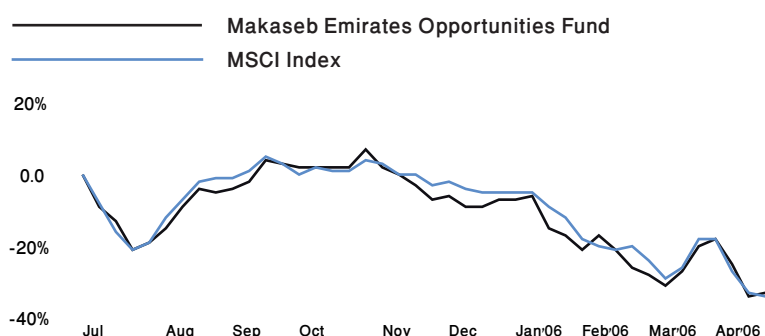
Asset Allocation



Investment Philosophy

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.

Performance Chart



Since Jun 26 2005 up to Jan 25 2006 National Bank of Dubai Composite Index was the benchmark. Starting from January 25 2006, MSCI UAE Domestic Index is the benchmark

Overview and Outlook

The UAE equity markets continued to decline amid better than expected earnings posted by most of the listed companies in the UAE. Bearish sentiments fueled by region wide stock market correction weighted heavily on the UAE market performance. This together with a high proportion of heavily leveraged retail investors exacerbated the decline.

The MSCI UAE Index for domestic investors declined by 15.7% during the month, bringing the YTD decline to 28.5%. Real estate sector lead the decline followed by banks and telecom sector. Notably, these were the very sectors which had posted better than expected earnings for the Q1FY2006. Real estate sector posted an earnings growth of 14.5% on year on year basis. Similarly, the banking sector posted year on year earnings growth of 72.9%. Similar performance was exhibited by the telecom sector which posted a year on year earnings growth of 31.1% amid growing competition.

Your fund declined by 11.91% during the month of April; however it managed to outperform the benchmark by 3.67%. Our overweight in the banking sector and financials in general has contributed to our out-performance versus the benchmark. Your fund also benefited from its underweight in the Telecommunications Sector as we see little room for organic growth in the sector while the introduction of a second network operator which eventually bring in price competition which would dampen industry wide ARPU levels.

As the sentiments improve, we might see a trend reversal. The UAE markets have come down to an attractive valuation levels when compared to broader emerging market indicators. In the coming few weeks as market participant's confidence is restored we might see strong support at current prices.

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