

MAKASEB EMIRATES OPPORTUNITIES FUND

Fact Sheet for November 2006

Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Each Sunday and Wednesday
Subscription	Each Monday and Thursday
Redemption	Each Monday and Thursday
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

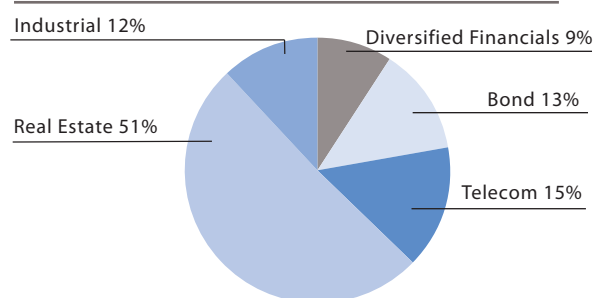
Performance Summary

	Makaseb Emirates Opportunities Fund	MSCI U.A.E Index
NAV (November 29 , 2006)	USD 5.01	
November 2006	-12.87%	-16.43%
October 2006	0.06%	-1.65%
September 2006	4.15%	0.61%
August 2006	6.50%	11.25%
Since Inception	-49.89%	-48.41%

Top 5 Holdings

Stock	Weight
Emaar Properties pjsc	53.36%
Emirates Telecom	15.19%
Amlak Finance Company	9.36%
Tabreed	6.89%
Arabtec Holding Co	4.07%

Asset Allocation



For more information please contact

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Investment Manager & Sponsor:
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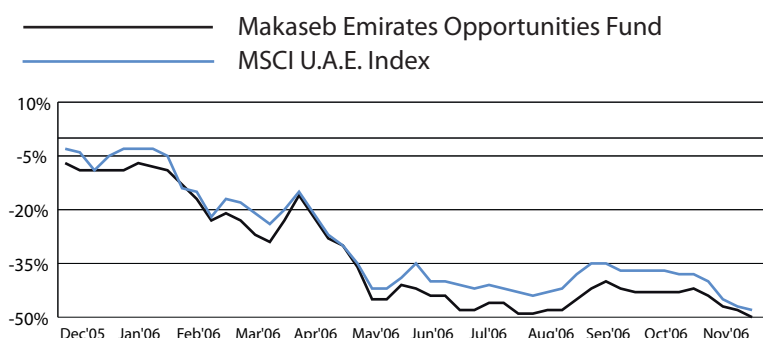
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WKN: A0J3RP
ISIN: BH000A0J3RP0
BLOOMBERG CODE: MAKEOFD BI
ZAWYA CODE: MAKEMRO.MF

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



Overview and Outlook

Your Fund lost 12.9% of its value during November, compared to a loss of 16.4% for the MSCI UAE Domestic USD Index, the Fund's benchmark. The Fund's alpha during the month was 350 bps, bringing the alpha for the year to 76 bps. Both the Dubai Financial Market (DFM) and Abu Dhabi Securities Market (ADSM) reached 52 week lows during the month. The DFM lost 20% for the month, while the ADSM ended 13.9% lower.

During the month, the IPO of DFM open tranche (available to all investors) was oversubscribed almost 300 times. Although the DFM IPO was quite successful in terms of investor interest, the UAE markets kept grinding lower during the month, presumably in part due to investors raising some liquidity to subscribe to the IPO. The Fund does not believe this to be the case, as the actual underlying fund flow is quite miniscule compared to the amounts subscribed. More so than the DFM IPO, developments elsewhere in the region seem to be weighing further on local sentiment and consequently investor interest. Saudi Arabia had another nightmare month, with the market index swooning well below 8,000, albeit on low volumes. Kuwait also joined in the bloodbath, with a brewing dispute between the Government and one of the prominent listed companies in Kuwait grabbing headlines and contributing to general investor malaise.

November turned out to be a perfect example of the hazards of trying to guess market extremes. After appearing to have bottomed out, the UAE started on another down leg during the month, and appears ever closer to an actual bottom. The lack of liquidity and almost total absence of buying interest strongly hints towards impending investor capitulation, and your Fund is actively building positions to increase market beta.