

MAKASEB EMIRATES OPPORTUNITIES FUND

Fact Sheet for September 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 |

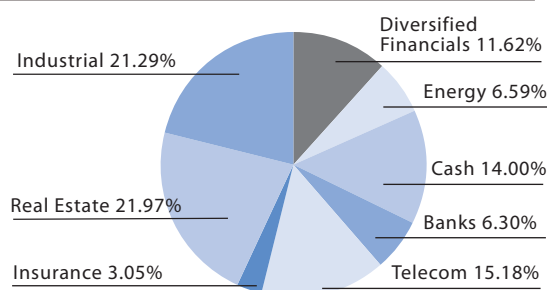
Performance Summary

| | Makaseb Emirates Opportunities Fund | MSCI U.A.E Index |
|--------------------------|-------------------------------------|------------------|
| NAV (September 27, 2006) | USD 5.75 | |
| June 2006 | -11.65% | -5.89% |
| July 2006 | -0.06% | -3.00% |
| August 2006 | 6.50% | 11.25% |
| September 2006 | 4.15% | 0.61% |
| Since Inception | -42.53% | -37.22% |

Top 5 Holdings

| Stock | Weight |
|-----------------------|--------|
| Emaar Properties pjsc | 16.03% |
| Emirates Telecom | 15.18% |
| Arabtec Holding Co | 13.50% |
| Dubai Islamic Bank | 6.56% |
| Aldar Properties | 5.94% |

Asset Allocation



For more information please contact

Mr. Marwan Farag (+971 4 207 8360)
Mr. Hadi Nasser (+971 4 207 8396)

Investment Manager & Sponsor:
Mashreqbank psc, Al Ghurair City,
7th Floor, P.O. Box 1250, Dubai, U.A.E.
Tel +9714 2078461

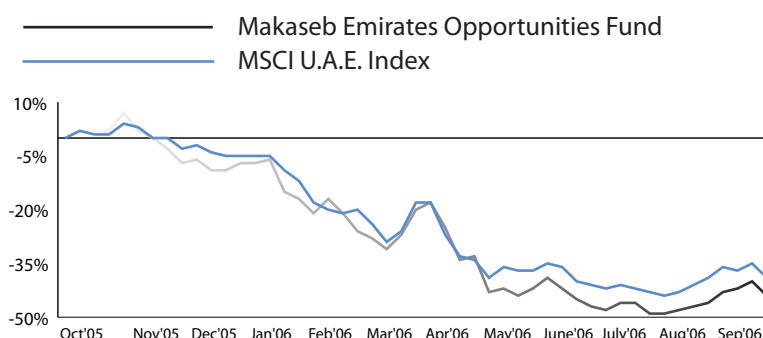
Registered Office:
14th Floor, City Gardens, P.O. Box 140, Manama,
Bahrain. Tel + 97317 535455
Website www.makaseb.com

WKN: A0J3RP
ISIN: BH000A0J3RP0
BLOOMBERG CODE: MAKEOFD BI

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 was up 4.15% during September, outpacing the MSCI UAE Domestic Index by 3.54%, as the benchmark was up 0.61% over the same period. Market action continues to be constructive, and the Fund continues to move closer to becoming fully invested. The outlook for the next 6-8 weeks appears positive as of now, and the Fund is being positioned accordingly. On the breakout of our current target levels, the Fund is likely to move beyond a 100% invested position.

Last month, the Fund benefited from the significant position in Tamweel, which rallied all the way above AED 5 per share. The Fund has now closed out its position, as there are better risk to reward tradeoffs available in the market. Though volumes have sometimes dropped during Ramadhan, overall the tone of market action is clearly constructive and a bounce off the significant lows formed over the last 3 months appears to be in progress.

An ongoing correction in oil prices has the potential to derail regional markets, primarily Saudi Arabia. A sustained break below USD 50 per bbl may spook investors elsewhere in the region, with a potential spillover of negative sentiment into the UAE (via outflows for regional investors). That caveat aside, the market move off the lows from end July this year is firmly on track. The Fund has effectively stopped high velocity trades, and is on the look out for the opportunity to build positions on any market pullbacks, as the risks remain on the upside. Any serious violation of the Fund's identified support levels would trigger a strategy change, but for now the bias is firmly bullish.