

## Fact Sheet for February 2008

### Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Central Bank of Bahrain
Net Asset Value	Every Tuesday
Subscription	Every Wednesday
Redemption	Every Wednesday
Management Fee	1.25% p.a.*
Investment Manager	Mashreqbank psc
Share Registrar	Deloitte & Touche
Administrator	HSBC Middle East
Custodian	HSBC Middle East
Auditor	Deloitte & Touche
Listing	Bahrain Stock Exchange

\* Management fee is reduced from 1.25 % to 0.75% effective from 1st August, 2007.

### Performance Summary

NAV (February 26, 2008)	USD 10.19
1 Month	-0.7593%
3 Months	-1.237%
YTD	-1.9742%
Since Inception (March 29, 2006)	1.9469%

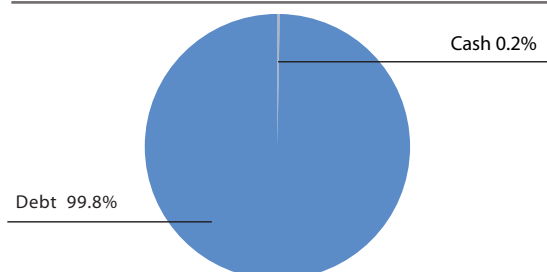
### Top 3 Holdings

Security	Maturity	% Holding
Ahli United Bank	02-Dec-15	23.23%
Tabreed	20-Jul-11	19.33%
Kuwait Projects	12-Apr-11	18.41%

### Income Summary

YTM	4.148%
3 month USD Libor (Average)	3.0575%
Modified Duration	0.5699

### Portfolio Composition



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WKN: A0J3RR

ISIN: BH000A0J3RR6

BLOOMBERG CODE: MAKAINC BI

ZAWYA CODE: MAKINCM.MF

### Investment Philosophy

Makaseb Income Fund (MIF) primarily seeks to provide current income along with the stability of capital. Fund's secondary objective is to seek income growth over the long term. The Fund aims to achieve its investment objective by investing in a diversified portfolio of fixed and floating rate investments originating from countries in the GCC, MENA, South Asia and other emerging economies.

### Investment Guidelines

(a) Investment in a single GCC country capped at 50% (b) Investment in a single country in MENA/South Asia capped at 50% (c) Total investment in other emerging economies capped at 20% (d) Investment in instruments issued by a single issuer capped at 20% (e) Investment in sub investment grade instruments capped at 75% (f) Investment in non rated instruments capped at 25%.

### Overview and Outlook

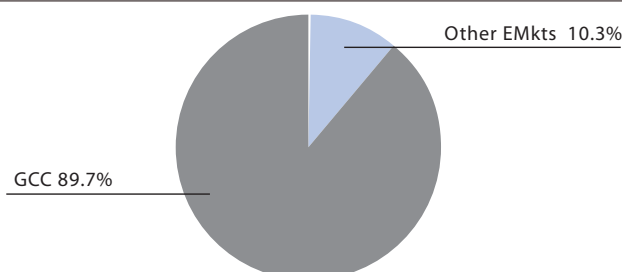
Global Financial markets as a whole and fixed income markets in particular in February continued their downward trend, and as a result your fund was down 0.76%, as compared to the Merrill Lynch Global High Yield and Emerging Markets Index which lost 0.93%, and the over the same period. The catalyst for much of instability as with last month has been worries over the state of the US economy, the continuing uncertainty regarding the credit rating of the monoline bond insurers and concerns regarding the balance sheet's of the large US brokers.

Over the short term, we are expecting the US Federal Reserve to further cut the benchmark rate, however fears over inflation may well negate some of the impact from this monetary easing.

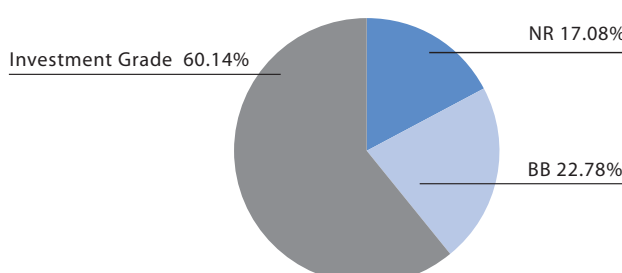
In spite of the turbulent credit markets we are confident that the fund is well positioned to both minimise volatility and take advantage of a possible upturn later this year.

Issued on 11 March, 2008

### Regional Composition



### Portfolio Rating Profile



*Disclaimer: Performance data quoted represents past performance; past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted.*