

Fact Sheet for September 2007

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 (September 25, 2007)	USD 10.30
1 Month	0.8%
3 Months	0.845%
YTD	2.49%
Since Inception (March 29, 2006)	3.032%

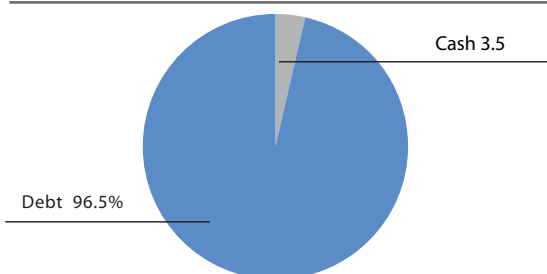
Top 3 Holdings

Security	Maturity	% Holding
Dar Al-Arkan	16-Jul-12	16.38%
United Gulf Bank	13-Oct-16	16.16%
PCFC Development Bond	23-Jan-08	12.75%

Income Summary

YTM	5.64%
3 month USD Libor (Average)	5.24%
Modified Duration	1.1457

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%.

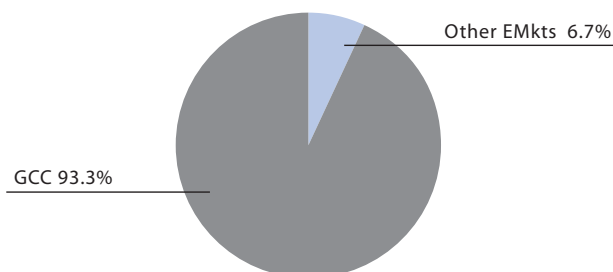
Overview and Outlook

September saw the US Fed Funds rate cut by 50bps to 4.75% which helped eased some liquidity concerns in credit markets globally, which resulted in a rally in credit markets and your fund benefited as NAV was up 0.8%. But volatility and liquidity in the credit markets will continue to be a concern that we need to be cognisant of, and therefore we have positioned our holding accordingly in order to deliver positive stable returns going forward.

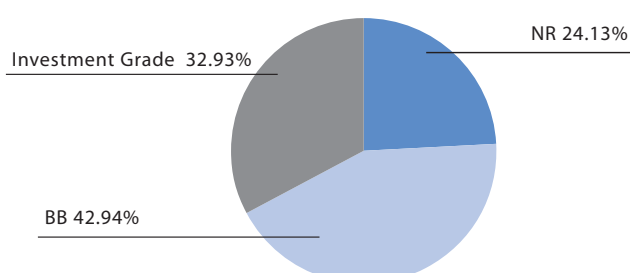
The best performing bonds for the month was SABIC, we had participated in the new issue in August and we were able to book a gain of 4.75% during the current period.

Issued on 04 October, 2007

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.