

Fact Sheet for August 2008

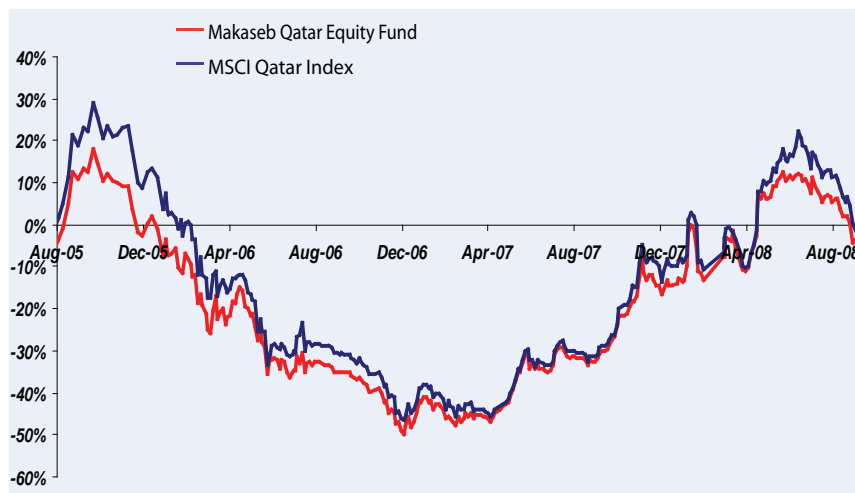
Investment Objective

Makaseb Qatar Equity Fund (MQEF) aims to achieve long term capital appreciation through investment primarily in shares listed on the Doha Stock Market. The MQEF portfolio is constructed after careful evaluation of various factors including the liquidity of the stock, company fundamentals, profitability, and overall portfolio risk considerations.

Fund Information

Fund type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Central Bank of Bahrain
Net Asset Value	Each Sunday and Wednesday
Investment Manager	Mashreqbank psc
Share Registrar	KeyPoint Consulting W.L.L., Bahrain
Administrator	Gulf Investment Corporation
Custodian	Gulf Investment Corporation
Auditor	Deloitte & Touche
Primary listing	Bahrain Stock Exchange
Subscription	Each Monday and Thursday
Redemption	Each Monday and Thursday
Management fee	2% p.a.

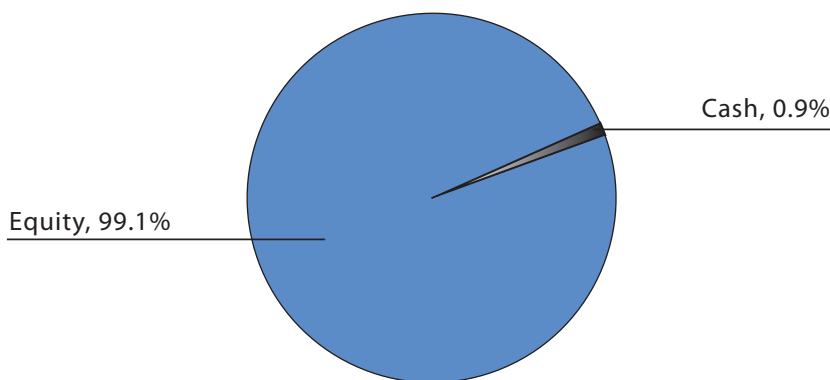
Performance Chart since inception



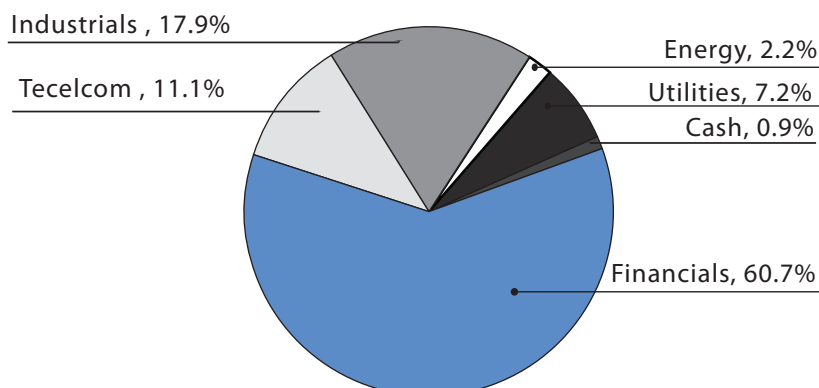
Performance Summary

	MQEF	MSCI QATAR Index
NAV (July 30, 2008)	US\$9.66	
Since inception (Jun 21, 2005)	-3.4%	-1.4%
YTD-2008	11.6%	8.3%
August 2008	-8.5%	-10.0%
Year 2007	47.1%	47.3%
Year 2006	-39.1%	-42.6%
Year 2005	-3.3%	7.7%
No. of Holdings	9	13
Max. Monthly Gain	19.7%	22.3%
Max Monthly Loss	-16.5%	-17.2%
Beta	0.9	
R-Sq	81.9%	
Standard Deviation (Since Inception)	23.6%	22.1%
Sharp Ratio	-0.4	-0.3
Treynor Ratio	-0.1	
Information Ratio	-0.2	

Asset Allocation



Sector Allocation



Top 5 Holdings

Stock	Weight
Qatar National Bank	19.13%
Commercial Bank Of Qatar	18.90%
Industries Qatar	17.91%
Qatar Telecom	11.16%
Doha Bank QSC	9.09%

Fund Manager's Commentary

Reflecting the trend in the GCC markets, Doha Market ended the month of August with major losses of 9.7% as measured by the DSM index.

The sell off was across the board with real estate and energy sectors are the worst performers this month. The heavy weight banking sector was not immune from the sell off wave in August with Qatar Islamic Bank the worst performer lost 12%.

Foreign investors' money that was placed in Qatar for currency revaluation has left the market as the probability of currency reform fell markedly after GCC countries decided to work towards monetary union. Also Profit taking activities in the banks stocks and Industries Qatar has put more pressure on the index, with banking sector contributed almost half of the index losses this month. Insurance and Telecommunications outperformed the benchmark as the both sectors has slide by 6%. Retail investors also panicked and sold their positions in liquid stocks such as Nakilat which lost 15% during the month.

Your fund lost 8.5% outperforming the benchmark by 1.5% mainly because of our under weight in Nakilat and our over weight in Telecommunications.

The population of Qatar jumped by a substantial 17.9% to 1.45 million in 1H2008 after having increased 17% in 2007, according to the Qatar Statistics Authority. The surge can be attributed to the high number of expatriate workers who have moved to the country as it continues to move ahead with its investment and diversification program. The population growth will induce more demand for real estate, Telecommunication and credit, which will also contribute and sustain the current high levels of growth in the country's GDP. The Qatar market's price to earnings ratio has now come to very attractive levels of 12.1x based on 2008E earnings and with corporate earnings still fairly healthy and growth prospects still robust, we believe the current price levels are offering a good entry point

Fund Codes:

WKN: A0J3RN

ISIN: BH000A0J3RN5

BLOOMBERG CODE: MAKQFDF BI

ZAWYA CODE: MAKQTRE.MF

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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.