

## Fact Sheet for January 2009

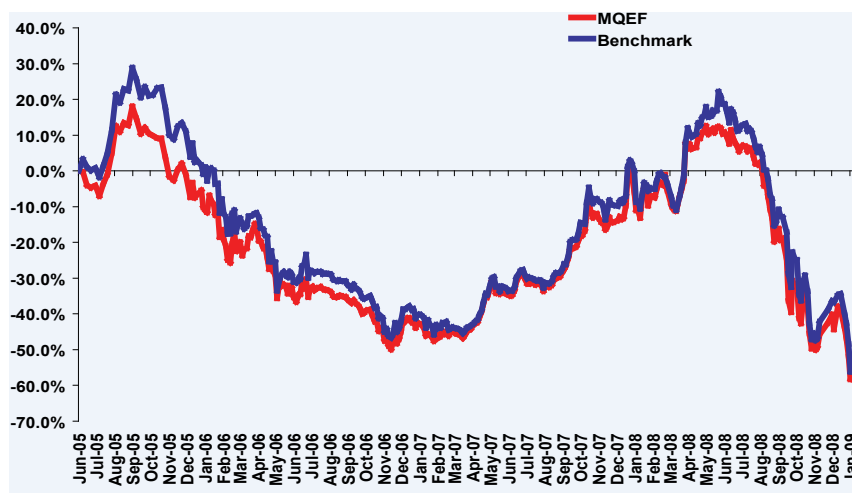
### Investment Objective

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.

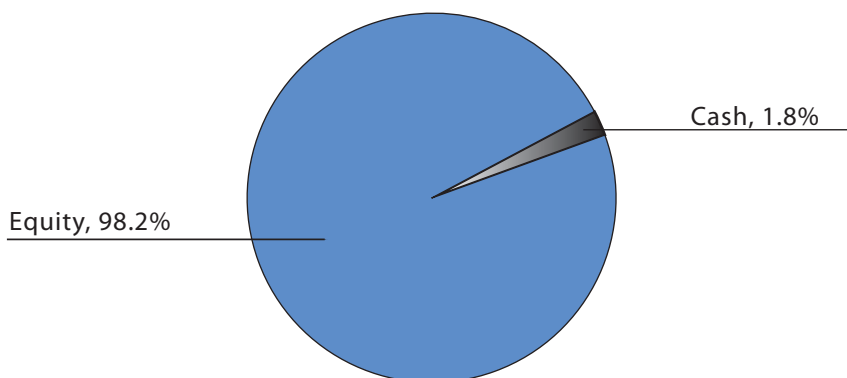
### Performance Chart since inception



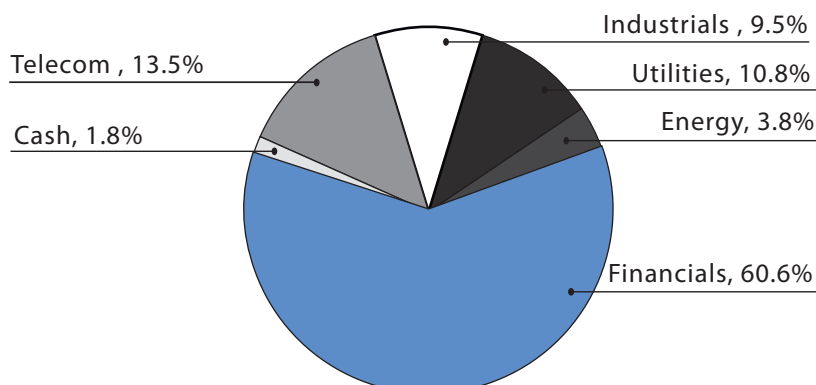
### Performance Summary

	MQEF	MSCI QATAR Index
NAV (January 28, 2009)	US\$4.2	
Since inception (Jun 21, 2005)	-53.8%	-50.6%
January 2009	-25.5%	-24.3%
Year 2008	-28.3%	-28.3%
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%	23.4%
Max Monthly Loss	-29.1%	-26.9%
Beta	0.9	
R-Sq	83.3%	
Standard Deviation (Since Inception)	30.4%	30.4%
Sharpe Ratio	-1.54	-1.67
Treynor Ratio	-0.63	
Information Ratio	-0.26	

### Asset Allocation



### Sector Allocation



### Top 5 Holdings

Stock	Weight
Commercial Bank Of Qatar	20.6%
Qatar National Bank	17.2%
Qatar Telecom Q.S.C. (Q Tel)	13.5%
Qatar Electri & Water	10.8%
Qatar Islamic Bank	10.8%

### Fund Manager's Commentary

January was a turbulent month for Doha equities as the Doha Securities Index lost 23.7% during the month burdened by sell off pressure across the board. Banks had the lion share of the sell off with banking sector lost almost 25% of its market capitalization this month. The weak fourth quarter results posted by Qatari banks was the main reason combined with profit taking after the rally last December. Industries Qatar, the commodity producer lost 28% this month affected by a continuous fall in petrochemicals, fertilizers, and steel prices on one hand and the very weak fourth quarter results posted by Sabic of Saudi Arabia on the other hand.

During the month the government ordered a merger between Barwa Real Estate and Qatar Real Estate Investment Company. The deal makes economic sense as there is no logic in having two companies doing the same business, and that too generated by the same customer, i.e. the government. The deal appears to benefit Barwa real estate compared to Qatar real estate investment since Barwa is specialized in residential and commercial real estate which is more pro cyclical as opposed to QRES which specializes in industrial real estate which enjoys a stable, sustainable revenue stream in Qatar due to the continuous activities in the industrial zones.

Your fund lost 25.5% this month underperforming the MSCI Qatar Index by 1.2% mainly due to our overweight in utilities and our position in Qatar Real estate Investment Company. Qatar Electricity and Water Company lost 29% due to profit taking as the stock was the biggest winner last December. For Qatar Real Estate Investment the investors took the merger deal negatively, suspecting that the business model of the company might change.

Going forward we expect bad news flow to continue affecting investors' sentiment in the short term, hence the fund strategy will be defensive for the time being. In the medium term Qatar is expected to outpace other GCC countries in terms of real GDP growth in 2009 mainly due the huge LNG capacity additions that will lead to near doubling of the country's LNG production.

February 4, 2009

#### Fund Codes:

WKN: A0J3RN

ISIN: BH000A0J3RN5

BLOOMBERG CODE: MAKQEFD BI

ZAWYA CODE: MAKQTRE.MF

REUTERS ID: LP65038278

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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.