

## Fact Sheet for June 2006

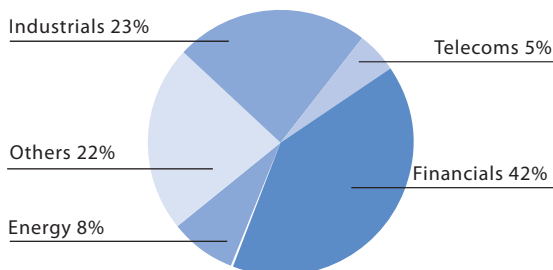
### Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Bi weekly
Subscription	Bi weekly
Redemption	Bi weekly
Management fee	2% 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

NAV (June 30, 2006)	USD 6.54
March 2006	-1.17%
April 2006	0.57%
May 2006	-13.71%
June 2006	-3.34%
Since Inception (Jun 22, 2005)	-34.57%

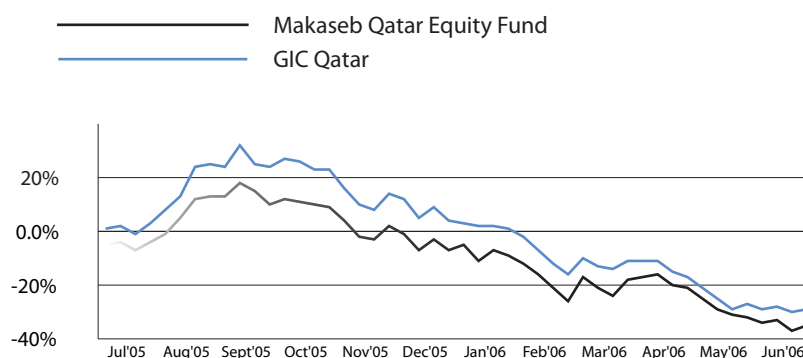
### Asset Allocation



### Investment Philosophy

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.

### Performance Chart



### Overview and Outlook

The Doha Securities Market continued its decline in June, with MSCI Qatar losing 2.46% of its value. Unable to rebound from the steep fall in May, the Qatar Stock Index (QSI) traded below the 8000 mark throughout the month of June. Despite a general negative sentiment surrounding the market, there is a clear indication of consolidation around the 7500 mark.

The industrial and the service sectors posted gains of 2.00% and 5.5% respectively. Growth in the industrial sector was led by Industries Qatar which closed the month 1.3% up. The banking sector could not muster the same performance, declining by 6.3%.

Your fund closed the month 4.26% down, lagging the index by 1.8%. This was primarily due to our portfolio composition in the banking sector. The focus of investors shifted towards Al Rayan Bank, which started trading in the latter half of the month. As the initial spurt of interest in Al Rayan Bank wanes, we foresee that the other Islamic Banks will start recouping their losses.

We expect to see volatility around the current levels in the short run. The growth indicators of the economy remain strong. The same should trickle down to the performance of individual stocks in the long run, making your investments in the Qatari market a strong value bet.

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