

Fact Sheet for March 2006

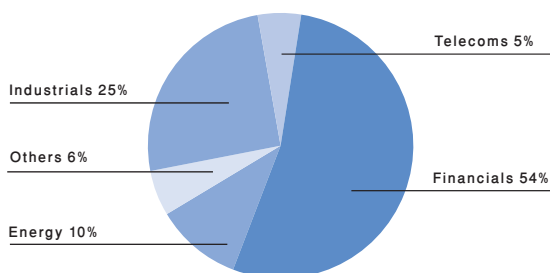
Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Bi weekly
Subscription	Bi weekly
Redemption	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 (March 29, 2006)	USD 7.80
December	-0.66%
January 2006	-3.74%
February 2006	-13.96%
March 2006	-1.17%
Since Inception (Jun 22, 2005)	-22.00%

Asset Allocation



Investment Manager & Sponsor:
Mashreqbank psc, Al Ghurair City,
3rd Floor, P.O. Box 1250, Dubai, U.A.E.
Tel +9714 2078461

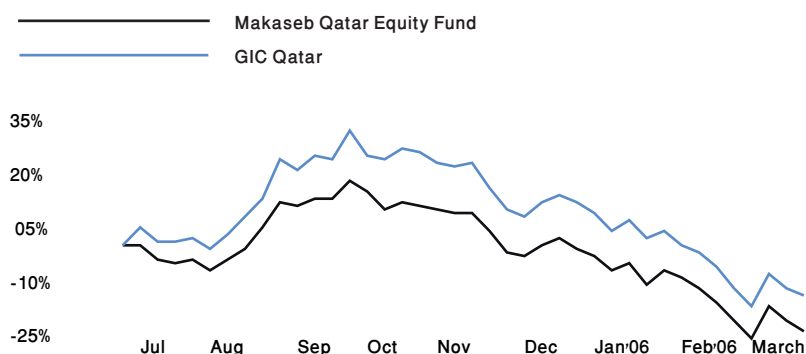
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Bahrain. Tel + 97317 535455
Website www.makaseb.com

BLOOMBERG CODE: MAKQEFB BI

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 Qatari market continued its decline during the month with the Qatar Stock Index ("QSI") losing 2.13%. Bearish sentiments continued to cloud the market even though there were no fresh offerings during March. However, a liquidity crunch could be felt due to the upcoming IPO of Gulf Cement Company.

Insurance sector was one of the few gainers which saw robust activity during the period. However, the broader market continued its lackluster performance. The industrial sector decline through March with Industries Qatar falling by 1.6%. After a steep decline of 26% in February, the price of Industries Qatar seems to have stabilized. With major expansions in its subsidiaries, IQ seems to be attractively valued at the current level.

Your fund lost 1.17% during the month compared to a loss of 2.13% posted by the broad market Index thereby marginally outperforming the benchmark by 0.96%. Your fund benefited from its underweight in the Industrial sector. On the other hand, your fund's performance was hurt by its underweight in the Insurance sector which witnessed favorable price movement. Insurance sector in Qatar is illiquid and the absence of insurance scrips in our portfolio has historically hurt our performance. The fund is looking to strategically build positions in the insurance sector.

Going forward, the market remains attractive for value investors. Qatar is currently trading at a trailing PE of 23X with estimated growth of over 20% in corporate earnings, the one year forward PE of under 19X is attractive when compared to regional peers and is approximately at the early 2005 levels when the Qatar market witnessed the first bull run. The fundamentals of the Qatari economy remain strong with high expected growth rate in macro indicators. The same should be reflected in the performance of individual stocks in the coming months.