

Fact Sheet for October 2006

Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Each Sunday and Wednesday
Subscription	Each Monday and Thursday
Redemption	Each Monday and Thursday
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

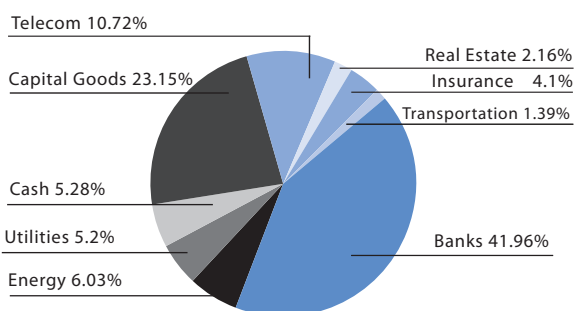
Performance Summary

	Makaseb Qatar Equity Fund	MSCI Qatar Index
NAV (October 29, 2006)	USD 6.12	
October 2006	-2.84%	-1.87%
September 2006	-2.63%	-3.65%
August 2006	-3.73%	-3.26%
July 2006	2.76%	2.42%
Since Inception (Jun 22, 2005)	-38.76%	-33.48%

Top 5 Holdings

Stock	Weight
Qatar Industries	23.2%
Commercial Bank of Qatar	14.8%
Qatar Telecom Q-Tel QSC	10.7%
Qatar National Bank	9.8%
Doha Bank Ltd	8.0%

Asset Allocation



For more information please contact

Mr. Hadi Nasser (+971 4 207 8396)

Investment Manager & Sponsor:
Mashreqbank psc, Al Ghurair City,
7th Floor, P.O. Box 1250, Dubai, U.A.E.
Tel +9714 2078461

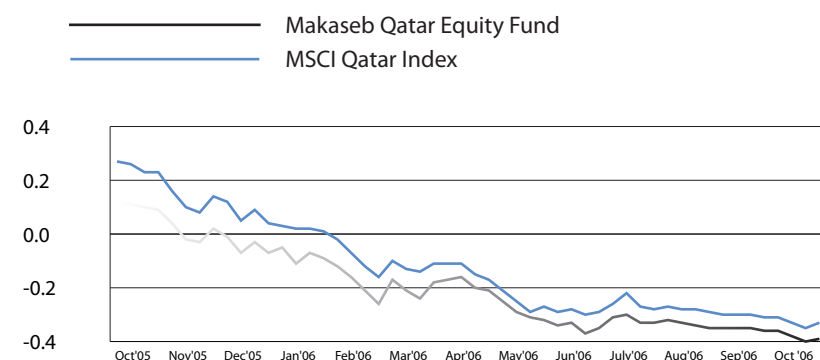
Registered Office:
14th Floor, City Gardens, P.O. Box 140, Manama,
Bahrain. Tel + 97317 535455
Website www.makaseb.com

WKN: A0J3RN
ISIN: BH000A0J3RN5
BLOOMBERG CODE: MAKQEFD 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 month of October witnessed significant decline in market activity, due to the impact of Ramadan. The market continued to reel under selling pressure, with the Doha Securities Market (DSM) General Index losing 2.20% during October. The worst performing sectors were Industries and Insurance.

Al Rayan Bank continued to draw market attention for the second consecutive month as it was the most traded stock and gained 15% during the month. This rise is largely speculative in nature, with the bank yet to report operating earnings.

Your fund ended the month down 2.84% underperforming the benchmark by 0.97%. The underperformance was primarily due to our underweight in Al Rayan Bank. Our overweight in Commercial Bank of Qatar also adversely affected our performance as the stock lost 7.90% during the period.

Third quarter results have been in line with our expectations with the Banking and Telecommunications sectors leading the earnings growth. In the short term we do not expect any substantial move from the current levels as a subdued price action is expected to continue, in line with other GCC stock exchanges. In the long term we maintain a positive outlook on the basis of robust economic growth driven by continued expansion in the hydrocarbons sector.

Issued on November 4, 2006