

Fact Sheet for October 2008

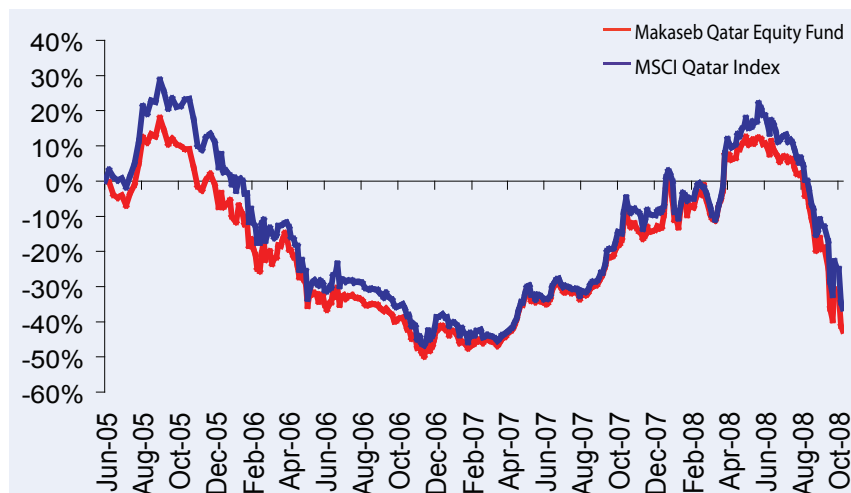
Investment Objective

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.

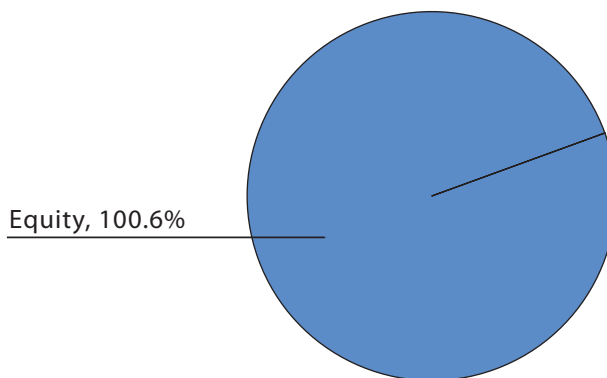
Performance Chart since inception



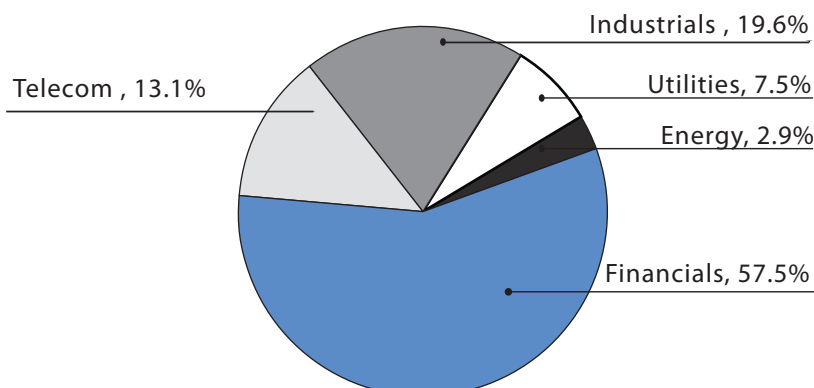
Performance Summary

	MQEF	MSCI QATAR Index
NAV (October 29, 2008)	US\$5.74	
Since inception (Jun 21, 2005)	-42.6%	-36.3%
YTD-2008	-33.7%	-30.0%
October 2008	-29.1%	-26.9%
Year 2007	47.1%	47.3%
Year 2006	-39.1%	-42.6%
Year 2005	-3.3%	7.7%
No. of Holdings	10	13
Max. Monthly Gain	19.7%	23.4%
Max Monthly Loss	-29.1%	-26.9%
Beta	0.9	
R-Sq	84.9%	
Standard Deviation (Since Inception)	27.4%	27.8%
Sharpe Ratio	-1.7	-1.5
Treynor Ratio	-0.5	
Information Ratio	-0.5	

Asset Allocation



Sector Allocation



Top 5 Holdings

Stock	Weight
Industries Qatar	19.62 %
Qatar National Bank	15.79 %
Commercial Bank Of Qatar	14.81 %
Qatar Telecom	13.06 %
Doha Bank QSC	10.69 %

Fund Manager's Commentary

The developed markets banking crisis has caused a global de-leveraging cycle that is damaging all assets and certainly all equities. Doha Securities markets index dropped 25.4% this month. Off shore investors liquidated most of their equity exposure in Qatar, on the back of weak commodity prices globally. Retail investors followed suit, selling across the board. The banking sector was the worst performing sector this month contributing more than half of the negative performance of MSCI Qatar index. Fears of a crash in Dubai real estate sector impacting the rest of the region led to a fire sale in real estate stocks in Qatar, making it the second worst performing sector in October. As in the UAE, Telecommunications was one sector that outperformed in Qatar as well, with Qtel down only 9%.

Your fund lost 29% last month, lagging the benchmark by 2.3% mainly due to our overweight in banking sector. Commercial Bank of Qatar, the biggest weight in the fund lost 37% of its market capitalization largely because of relatively high foreigners' ownership in the stock compared to other banks. The overweight in Industries Qatar contributed negatively to performance as investors were selling commodity stocks on the back of a bear market in commodities due to slower global economic growth.

Qatar has stronger government revenues compared to other GCC countries to support domestic growth. For example, the Qatar Investment Authority announced its intention to inject liquidity in banks by acquiring 20% of their equity. We consider this approach as more appropriate compared to providing emergency lending. Infrastructure spending in Qatar is not likely to slow down, which should underpin reasonable growth independent of global economic conditions.

November 5, 2008

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.