

## Fact Sheet for September 2008

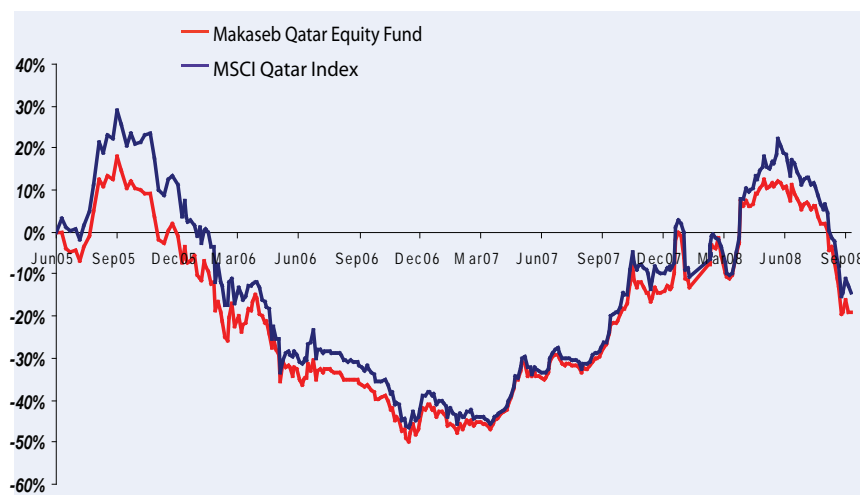
### Investment Objective

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.

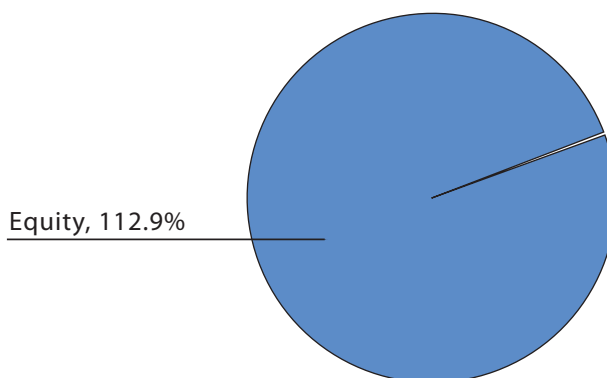
### Performance Chart since inception



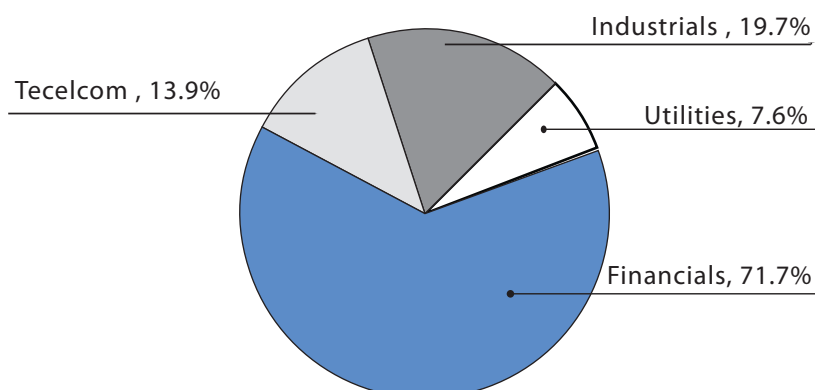
### Performance Summary

	MQEF	MSCI QATAR Index
NAV (September 28, 2008)	US\$8.10	
Since inception (Jun 21, 2005)	-16.7%	-11.0%
YTD-2008	-3.8%	-2.3%
September 2008	-13.8%	-11.1%
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%	22.3%
Max Monthly Loss	-16.5%	-17.2%
Beta	0.9	
R-Sq	81.0%	
Standard Deviation (Since Inception)	24.6%	25.3%
Sharp Ratio	-1.0	-0.8
Treynor Ratio	-0.3	
Information Ratio	-0.3	

### Asset Allocation



### Sector Allocation



### Top 5 Holdings

Stock	Weight
Qatar National Bank	20.32%
Commercial Bank Of Qatar Industries Qatar	19.71%
Qatar Telecom	19.70%
Doha Bank QSC	13.91%
	11.54%

### Fund Manager's Commentary

September was one of the worst months for capital markets around the world. The month saw global credit crisis graduating to global credibility crisis. The month saw a continuation of massive on-going de-leveraging that lead to collapse of some of the oldest and established institutions on the Wall Street.

Regional capital markets were not immune from this de-leveraging with all major stock markets in the region losing more than 10% during the month.

Region	Markets	Performance	
		Month to date	Year to date
GCC	Saudi Arabia	-14.8%	-32.4%
	Dubai	-13.3%	-30.4%
	Abu Dhabi	-10.3%	-13.1%
	Kuwait	-11.1%	2.2%
	Qatar	-10.8%	-2.8%
	Oman	-10.5%	-6.0%
	Bahrain	-8.5%	-10.6%
North Africa and Levant	Egypt	-16.5%	-33.1%
	Morocco	-11.1%	-1.9%
	Jordan	-6.9%	10.7%
	Tunisia	1.1%	28.6%

Source: Bloomberg, All share indices used in calculation where available.  
YTD=MTD: August 31 2008 – September 30 2008

The Fund lost 13.8% during the month, underperforming the benchmark MSCI Qatar index by 2.7%. Losses were spread across the board with all sector moving sharply down.

Panic level in the market is at an unprecedented level. Although regional economies are doing well and oil was still trading at north of \$90/bbl at the time of writing this fact sheet, investor sentiment is extremely bearish. All those companies which a few months ago were priced for growth are now trading close to their liquidation value with real estate companies and banks topping the list. In such a heightened state of frenzy, it is important that investors keep their calm.

Currently local equity markets is charging a steep premium for liquidity and investors who are leveraged or solvent would eventually be wiped out from this market. Long term investor need not to worry as this extreme pricing discrepancy would not last long. Going forward, we are still positive on Qatari equity market and strongly believe market to rebound from current levels

October 13, 2008

#### Fund Codes:

WKN: A0J3RN  
ISIN: BH000A0J3RN5  
BLOOMBERG CODE: MAKQEFD BI  
ZAWYA CODE: MAKQTRE.MF  
Reuters ID: LP65038278

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

Registered Office:  
Flat 141, Building 3  
Road 365, Block 316  
Manama  
Kingdom of Bahrain

For more information, please contact: Moomal Punjabi (+971 4 207 8396) [www.makaseb.com](http://www.makaseb.com) email: [contact@makaseb.com](mailto:contact@makaseb.com)

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.