

Fact Sheet for January 2006

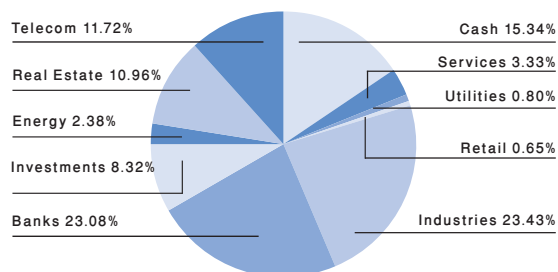
Executive Summary

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

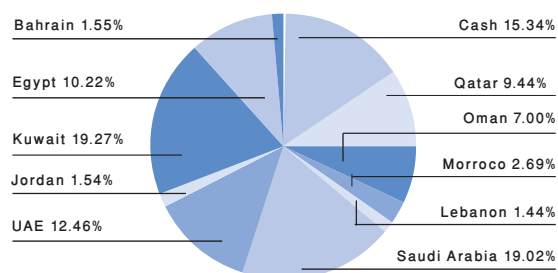
Performance Summary

NAV (Jan 29, 2006)	USD 9.95
Dec 2005	USD 9.62
Nov 2005	USD9.73

Sector Allocation



Region Allocation



Investment Philosophy

Makaseb Arab Tigers Fund (MATF) aims achieve long term capital appreciation through investing mainly in shares of companies listed on the Stock Exchanges of the Middle East and North Africa region.

Overview and Outlook

The New Year started with a wide divergence in the performance of markets in the region during the month of January. Egypt was the best performer for the month, rising 28%, while on the other extreme, Dubai lost close to 9% over the same period. Your Fund rose 3.4% during the month, benefiting from positions in Egypt, Saudi Arabia, and Oman. The Fund's holdings in the UAE and Qatar detracted from performance due to the losses suffered by these markets.

The year has commenced with the backdrop of a potentially destabilizing situation vis-à-vis Iran's stand on nuclear technology. It is difficult to predict the final solution of the Iran situation, but the Fund Manager is keeping a close eye on how it develops and its potential impact on the markets. Elsewhere in the region, Kuwait faced and successfully handled the succession matter, with Sheikh Sabah al-Ahmad al-Sabah, the Prime Minister, taking over from the ailing Sheikh Saad al-Abdulla al-Sabah. The smooth transition of power in Kuwait, led by parliament, has improved faith in the constitutional setup in Kuwait, potentially removing the political overhang related to succession that has weighed on the market for some time now. Kuwait has the potential to emerge as one of the leading economies in the region, given that Kuwait holds approximately 10% of proven oil reserves globally.

Markets in the UAE took a turn for the worse following the announcement of supposedly sub-par annual results by Emaar Properties for 2005. We believe the market reacted negatively to Emaar's results not necessarily due to disappointment with the growth posted, but due to the realization that the spectacular 180% earnings acceleration posted in 2005 was not likely to be repeated going forward. Given the general strength of corporate results last year, Emaar may not be the only company facing slower growth.

The Fund continues to slowly build positions in its target markets, focusing on companies with sustainable growth and reasonable relative valuations. As some markets come to terms with slowing earnings momentum, market volatility is likely to remain high. The Fund will continue to take advantage of market opportunities to build positions in companies which are likely to benefit from strong domestic consumption, increasing infrastructure investment, and still abundant liquidity.

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