

# MAKASEB EMIRATES OPPORTUNITIES FUND

## Fact Sheet for May 2006

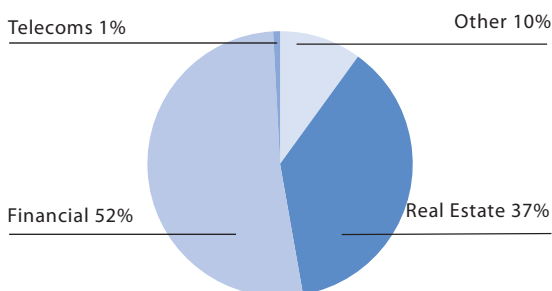
### Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Bi weekly
Subscription	Bi weekly
Redemption	Bi weekly
Management fee	2.0% 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 (May 31, 2006)	USD 5.89
February 2006	-8.17%
March 2006	-1.09%
April 2006	-11.91%
May 2006	-12.62%
Since Inception	-41.07%

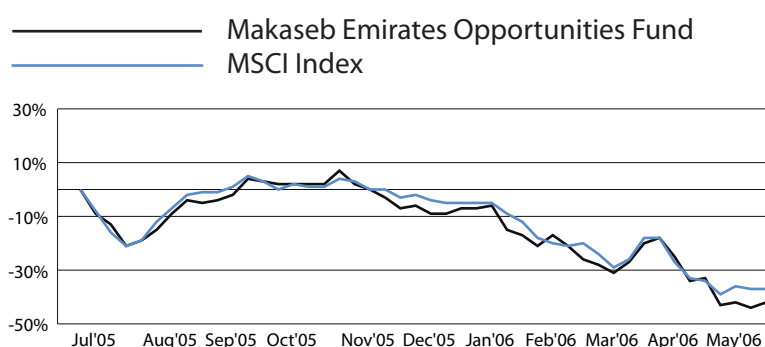
### Asset Allocation



### Investment Philosophy

Makaseb Emirates Opportunities Fund (MEOF) aims to achieve long term capital appreciation through investment primarily in shares listed on the UAE stock exchanges by using a dynamic asset allocation strategy. The MEOF portfolio is constructed after careful evaluation of market factors including liquidity and price action to determine the optimum market exposure. The monitoring and adjustment of Market exposure is dynamic, in order to take into account changing market dynamics.

### Performance Chart



Since Jun 26 2005 up to Jan 25 2006 National Bank of Dubai Composite Index was the benchmark. Starting from January 25 2006, MSCI UAE Domestic Index is the benchmark

### Overview and Outlook

The UAE markets continued their downward trend in May. During the first half of May, both ADSEM and DFM declined by 8.8% and 18.2% respectively. The latter half of the month saw some consolidation as the bourses regained some of the value. The month ended with MSCI UAE closing 9.6% down.

The decline in the market was lead by investment companies, closely followed by the insurance and service sectors. Market heavyweight Emaar closed the month 13.65% down. Although the DFM traded below the 500 mark for most of the month, consolidation was evident as institutions seeking value entered the market. Similarly, the ADSEM showed resilience around the 3500 mark.

Your fund closed the month 12.62% down, lagging the index by 3.02%, primarily due to our overweight in Dubai. As the market picks up momentum, our position in Dubai will work to our advantage.

The market is showing clear indications of consolidation around the current level. As investors try to cover their losses, we expect to see volatility within a short range. With long term value investors actively seeking opportunities, a trend reversal is likely in the coming months.

Investment Manager & Sponsor:  
Mashreqbank psc, Al Ghurair City,  
3rd 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

BLOOMBERG CODE: MAKEOFD BI

Issued on June 6, 2006