

Fact Sheet for June 2007

Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Central Bank of Bahrain
Net Asset Value	Every Tuesday
Subscription	Every Wednesday
Redemption	Every Wednesday
Management Fee	1.25% p.a.
Investment Manager	Mashreqbank psc
Share Registrar	Deloitte & Touche
Administrator	HSBC Middle East
Custodian	HSBC Middle East
Auditor	Deloitte & Touche
Listing	Bahrain Stock Exchange

Performance Summary

NAV (June 26, 2007)	USD 10.24
1 Month	0.38%
3 Months	0.88%
6 Months	1.71%
Since Inception (March 29, 2006)	2.37%

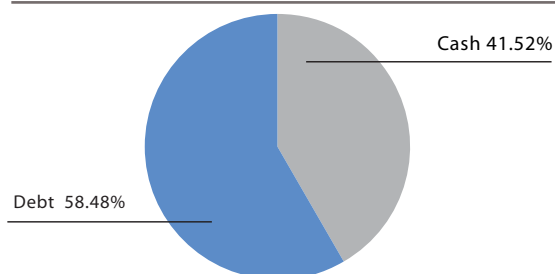
Top 3 Holdings

Security	Maturity	% Holding
United Gulf Bank	13-Oct-16	16.33%
PCFC Development Bond	23-Jan-08	12.73%
Ahli United Bank	02-Dec-15	11.13%

Income Summary

YTM	4.231%
3 month USD Libor (Average)	5.36%
Modified Duration	0.8906

Portfolio Composition



For more information please contact
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WKN: A0J3RR

ISIN: BH000A0J3RR6

BLOOMBERG CODE: MAKAINC BI

ZAWYA CODE: MAKINCM.MF

Investment Philosophy

Makaseb Income Fund (MIF) primarily seeks to provide current income along with the stability of capital. Fund's secondary objective is to seek income growth over the long term. The Fund aims to achieve its investment objective by investing in a diversified portfolio of fixed and floating rate investments originating from countries in the GCC, MENA, South Asia and other emerging economies.

Investment Guidelines

(a) Investment in a single GCC country capped at 50% (b) Investment in a single country in MENA/South Asia capped at 50% (c) Total investment in other emerging economies capped at 20% (d) Investment in instruments issued by a single issuer capped at 20% (e) Investment in sub investment grade instruments capped at 75% (f) Investment in non rated instruments capped at 25%.

Overview and Outlook

In a month marred by a correction in global credit markets and extreme volatility in interest rate markets your fund was able to deliver positive returns, up 0.38% for June 2007. The month of June was witness to a repricing of risk premiums upward which prompted us to trim our position in high beta names thus increasing our overall cash position, which we will use to add carefully selected companies with stable and strong credit profiles.

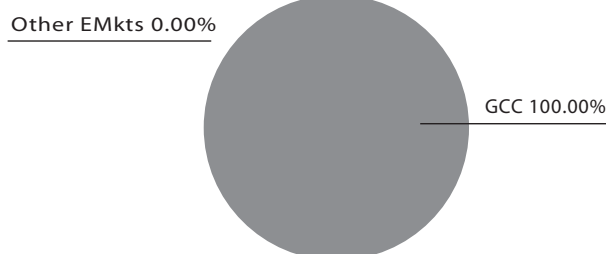
The deterioration in credit markets we have witnessed so far has occurred against a background of continued robust global growth, low real interest rates, high corporate profitability and cash flows, and the absence of an obvious inflation flashpoint. But volatility and liquidity in the credit markets will continue to be a concern that we need to be cognisant of, and therefore we have positioned our holding accordingly in order to deliver positive stable returns going forward.

Issued on 4th July, 2007

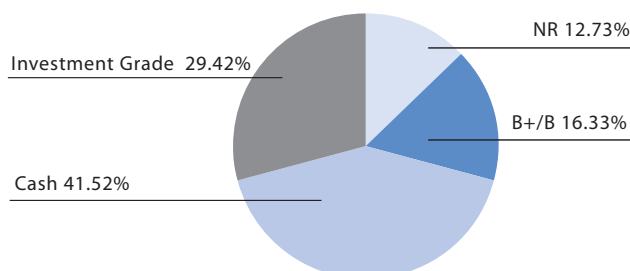
Note:

We are in the process of amending our Prospectus to exclude Non Rated Government backed Middle Eastern Securities from the Non-Rated definition.

Regional Composition



Portfolio Rating Profile



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.