

## Fact Sheet for September 2008

### 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

\* Management fee is reduced from 1.25 % to 0.75% effective from 1st August, 2007.

### Performance Summary

NAV (September 29, 2008)	USD 9.81
1 Month	-3.68%
3 Months	-3.92%
YTD	-5.48%
Since Inception (March 29, 2006)	-1.88%

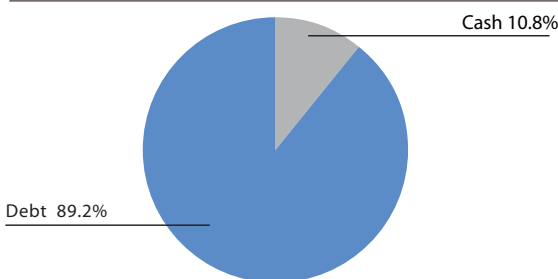
### Top 3 Holdings

Security	Maturity	% Holding
Nakheel	16-Jan-11	10.53%
Emirates Bank	26-Mar-18	8.92%
RAK Capital	28-May-13	8.27%

### Income Summary

YTM	8.493%
3 month USD Libor (Average)	4.05%
Modified Duration	0.7467

### Portfolio Composition



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Investment Manager & Sponsor:  
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Tel +9714 2078461

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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

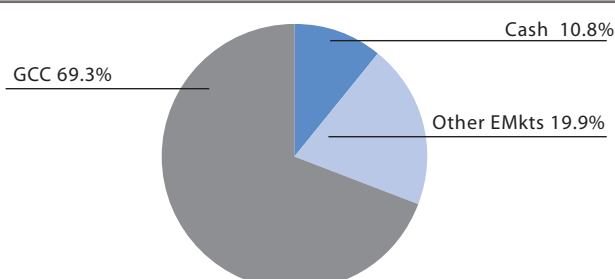
September was one of the worst months in recent memory for capital markets as the panic level hit an unprecedented level around the world. As the global credit crisis manifests itself into a global credibility crisis, amidst the global financial system de-leveraging, the victims so far have been some of the oldest and established financial 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% and regional credit markets measured by HSBC's Middle East Corporate Index are down 5.4% for the month.

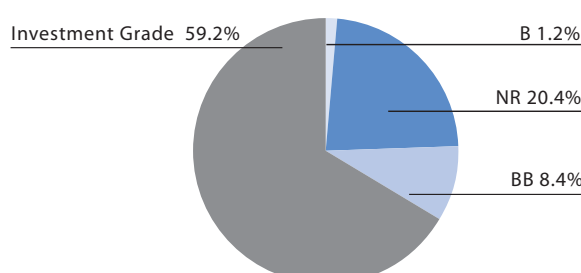
Your fund lost 3.68% in comparison and continues to deploy its additional cash in high quality, high yielding regional credits as we believe regional credits are at attractive levels. In addition we believe that domestic demand in regional economies continues to be strong and at current levels is sustainable and company fundamentals are still in place.

Issued on 11 October, 2008

### 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.*