

## Fact Sheet for February 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 (February 26, 2007)	USD 10.14
1 Month	0.05%
3 Months	1.02%
6 Months	2.49%
Since Inception (March 29, 2006)	1.45%

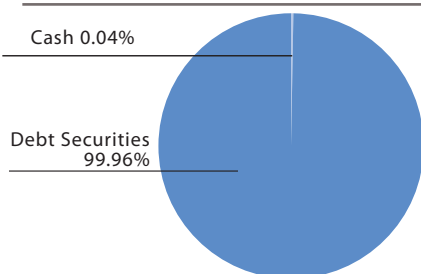
### Top 3 Holdings

Security	Maturity	% Holding
Orascom Telecom	08-Feb-14	18.40%
Ahli United Bank	02-Jan-15	18.39%
United Gulf Bank	13-Oct-16	18.22%

### Income Summary

YTM	5.81%
3 month USD Libor (Average)	5.35%
Modified Duration	1.82

### Portfolio Composition



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Investment Manager & Sponsor:  
Mashreqbank psc, Al Ghurair City,  
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Tel +9714 2078461

Registered Office:  
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Website www.makaseb.com

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

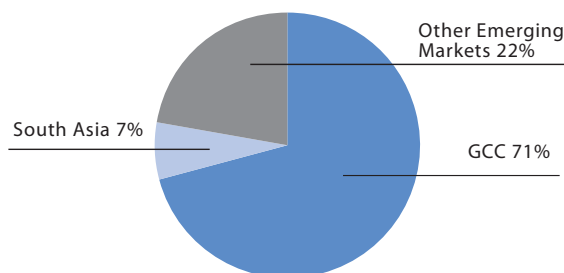
(a) Investment in a single GCC country capped at 50% (b) Investment in a single country in MENA/South Asia capped at 50% (c) Total investment in other emerging economies capped at 20% (d) Investment in instruments issued by a single issuer capped at 20% (e) Investment in sub investment grade instruments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

### Overview and Outlook

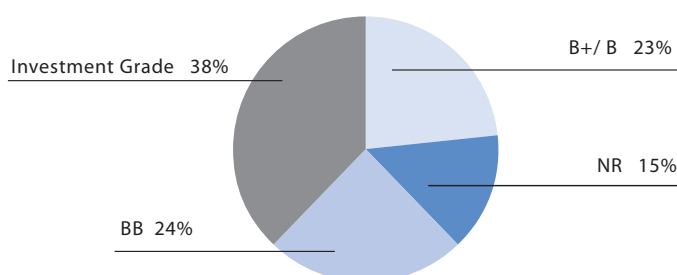
In what has been a volatile month, the fund increased a further 5 basis points (0.05%) over the month of February. With more economic data confirming a US slowdown and fears over the sustainability of China's economic growth, the latter half of this month has been an unstable period for global security markets. This month performance can largely be attributed to our ICICI and Kuwait Projects securities. Having received a major injection of funds over the past month we have made a number of strategic investments in view of the increased instability in security markets. We now believe the fund is well placed to achieve positive returns both from accrued interest owing to us and further price appreciation.

Issued on March 07, 2007

### 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.