mashreq
Asset Management

mashreq المشرق

**NAV at Jan 31, 2012: USD 4.59**

# Makaseb Emirates Equity Fund (MEEF)

## Fund Description

Makaseb Emirates Equity Fund (MEEF) aims to achieve long term capital appreciation through investment primarily in shares listed on the UAE stock exchanges. The MEEF portfolio is constructed after careful evaluation of various factors including the liquidity of the stock, company fundamentals, profitability, and overall portfolio risk considerations.

## Fund Managers Commentary

- Your fund gained 3.9% this month, underperforming S&P UAE Index by 0.6%.
- Our selection in Transportation and Real Estate has slightly underperformed this month, meanwhile stock selection in Banks added performance.
- Lack of exposure to Energy and underweight position in Banks has added performance, while overweight position in Telecommunications cost us performance.

## Fund Returns

| | MTD | YTD | 1 Year | 3 Years | SI |
|---|---|---|---|---|---|
| MEEF | 3.9% | 3.9% | -4.9% | 1.0% | -54.1% |
| Benchmark* | 4.5% | 4.5% | -8.0% | 18.3% | -49.6% |

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 |
|---|---|---|---|---|---|---|
| MEEF | -42.4% | 50.2% | -72.7% | 12.3% | -3.8% | -13.5% |
| Benchmark* | -44.5% | 43.3% | -68.9% | 27.9% | -4.1% | -17.4% |

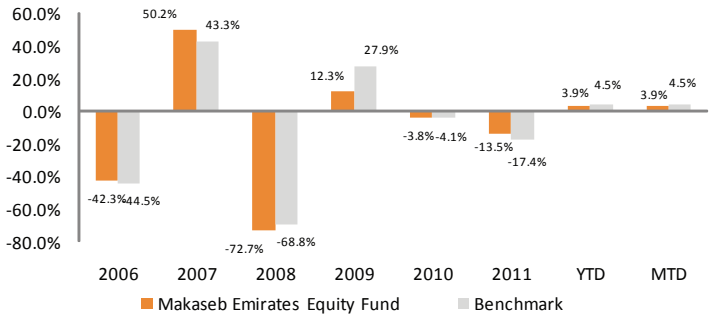
## Top Holdings

| | |
|---|---|
| First Gulf Bank | 10.8% |
| Emaar Properties PJSC | 9.5% |
| National Bank of Abu Dhabi | 9.3% |
| Air Arabia | 9.1% |
| Drake & Scull | 9.1% |

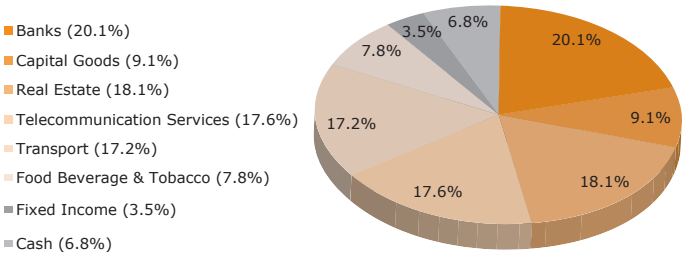
## Risk/Return Profile Since Inception

| | Fund | Benchmark | | vs Benchmark |
|---|---|---|---|---|
| Excess Return | -4.6% | | R Squared | 77.2% |
| Beta | 0.9 | | Information Ratio | (0.3) |
| Sharpe Ratio | (1.9) | (1.8) | Treynor Ratio | (0.6) |
| Skewness | 0.1 | (0.1) | Tracking Error | 15.4% |
| Kurtosis | 6.5 | 7.2 | Correlation | 0.9 |
| SD | 30.1% | 30.1% | | |

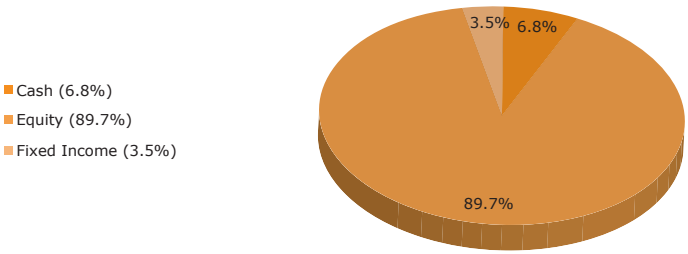
## Performance (Chart)




## Industry Allocation




## Asset Allocation




## Fund Details

| | |
|---|---|
| Fund Type | Open Ended |
| Domicile | Bahrain |
| Inception Date | Feb 08, 2005 |
| Currency | USD |
| Regulator | Central Bank of Bahrain |
| Investment Manager | Mashreq bank PSC |
| Net Asset Value | Each Business day |
| Subscription/ redemption | Each Business day** |
| Management Fee | 1.5% p.a. |

| | |
|---|---|
| Performance Fee | "Up to 10% of the appreciation in the Net Asset Value (NAV) of the fund which exceeds 10% p.a. during a calendar year" |
| Auditor | Deloitte & Touche |
| Registrar | KeyPoint Consulting W.L.L, Bahrain |
| Administrator & Custodian | HSBC Middle East |
| Bloomberg Ticker | MAKEEFD BI |
| Zawya Code | MAKEMRE.MF |

* MSCI UAE Domestic Index was the funds benchmark until Sep 29, 2010. Since Sep. 30, 2010 the S&P UAE Composite Index is the benchmark

** 2 business days notice

SI: Since Inception, SD: Standard Deviation, MTD: Month to Date, YTD: Year to Date

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