MAKASEB EMIRATES EQUITY FUND

Makaseb مكاسب
FUNDS COMPANY BSC (C) لصناديق الاستثمار

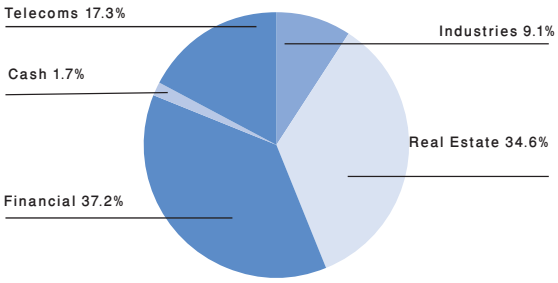
Fact Sheet for February 2006

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	Weekly
Management fee	1.5% 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

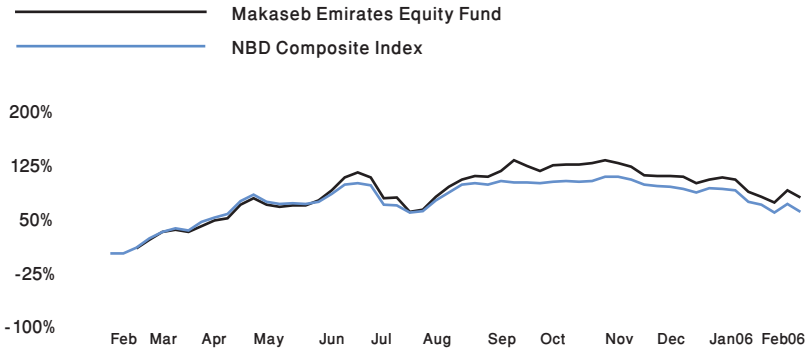
NAV (Feb 26, 2006)	USD 17.88
Dec 2005	-5.00%
Jan 2006	-6.70%
Feb 2006	-4.76%
Since Inception (Feb 8, 2005)	78.77%



Investment Philosophy

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.

Performance Chart



Overview and Outlook

The UAE markets remained weak and continued to spiral downwards largely due to massive correction witnessed on the Dubai Financial Market ("DFM"). The market decline initiated during the last month continued into the current month with Dubai Stock Index ("DSI") shedding over 10% while Abu Dhabi Stock Index ("ADI") remaining almost flat. The MSCI UAE Domestic Index - an indicator of UAE market performance in aggregate - lost over 5.0% during the month.

Almost all sectors on the DFM bore the bunt of correction with the Insurance sector losing the most, followed by Investments and Services. However, the Banking sector managed to recover towards the latter part of the month after undergoing an interim decline. Abu Dhabi Securities Market ("ADSM") presented a more promising picture with modest recovery in the Services and Insurance sectors, but, decline in the Financial Services and Industrials sectors and Financials kept the market subdued.

Your fund lost 4.7% during the month. However, the overweight on ADSM and its cash position - in anticipation of the correction - lead it to outperform the market marginally. Also your fund's underweight on the Financials sector helped the performance.

We believe that the month long correction has led the market to overshoot itself. As a result some stocks have become fundamentally attractive thus representing good investment opportunities. As corporate earnings for the first quarter of 2006 are announced, we expect to see a healthy recovery in the market. Although some sectors are poised to do better, we expect the financial services sector to continue to under perform the market in the coming months and thus would continue to remain underweight.

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BLOOMBERG CODE: MAKEEFD BI

Issued on March 1, 2006