An Emirates NBD Company

NBD INVESTMENT BANK

Aafaq Investment Funds

NBD Mena Fund

Fund Manager's Commentary ***April 2008***

The MENA stock markets recovered greatly in April following a dissapointing March. The markets showed a good 1Q08 earnings which boosted investor confidence. Top performing markets included Qatar (+18.2%), Saudi Arabia (+11.9%), Turkey (+11.4%) and Oman (+11.0%). The worst performing markets were Morocco (-1.6%), Bahrain (+1.9%) and Kuwait (+2.8%). The average market performers were Abu Dhabi (+9.5%), Jordan (+8.0%) and Dubai (+7.2%).

The MENA fund rose by 6.4% for April. This performance was assisted by Arabtec Construction and Sorouh Real Estate where the returns for the month were +29.2% and +16% respectively.

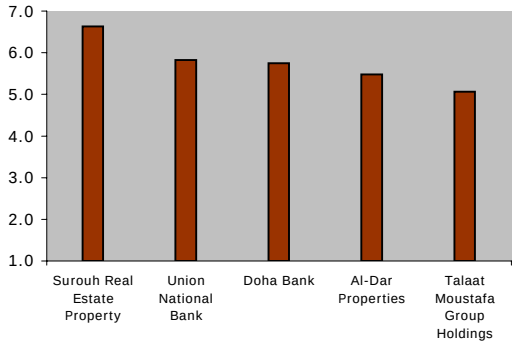
These results, in general, were above expectations. On average, 1Q08 earnings grew by 22% when compared to 1Q07. SABIC, the largest market cap stock in the MENA fund, saw its net profit for the same period grow by 10% year-on-year. Excluding SABIC, the region saw its profits grow by a healthy 25% year-on-year.

The companies boasting impressive results include Arabtec (1Q08 Net profit Dh238 mn, +285% yoy), First Gulf Bank (1Q08 Net profit Dh675 mn, +66% yoy), Oman Telecoms (1Q08 Net profit OMR38.4 mn, + 60% yoy), Industries Qatar (1Q08 Net profit QAR1.9 bn, +115% yoy) and SAFCO (1Q08 Net profit SAR723 mn, +126% yoy).

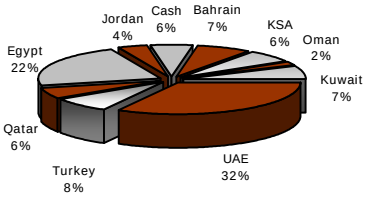
Valuations have not seen a significant re-rating because the sharp increase in prices for April have been supported by strong results. The fund manager will continue to invest in companies with attractive fundamentals but underpriced by the market.

FUND DATA	
NAV/UNIT (AED)	11.95
Fund Size (AED mn)	428
Returns:	
Month to Date (%)	6.43
Year to Date (%)	2.14
Since Inception (%) (Nov 2005)	19.49
Annualized Returns:	
2005 (%)	n/a
2006 (%)	-17.87
2007 (%)	41.63
Since Inception (%)	7.65
Annualized Std. Dev. (%) (Since Inception)	18.37
P/E (Trailing)	12.30

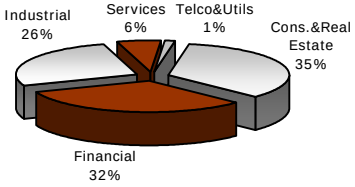
Top Equity Holdings (% of the NAV)



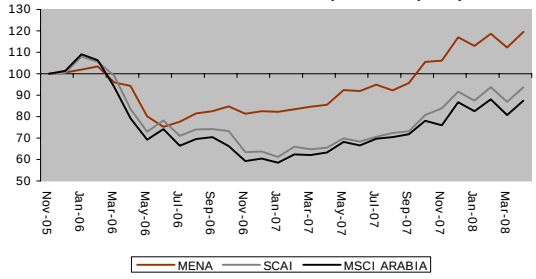
Asset Allocation



Equity Sector Allocation



NBD MENA Fund vs Indices (since Inception)



FUND DETAILS			
Type of Fund	Open Ended	**Manager**	Emirates Investment Services Limited (Effective 31 March 2008)
Fund Currency	UAE Dirham	**Subscription/Redemption**	Daily
Min. Initial Subs. (AED)	50,000	**Management Fee**	2.00%
Min. Subsequent Subs. (AED)	25,000	**Performance Fee**	10% gains over hurdle rate of 10%
Bloomberg Code/Zawya Code	NBDMENA UH/NBDMENA.MF	**Subs./Redemption Fee**	Up to 2.5%/1.5% for Investor Yr 1, 1% for Investor Yr 2
Administrator	APEX Fund Services (Dubai) Ltd.	**Custodian**	Gulf Investment Corporation

INVESTMENT OBJECTIVE-The fund seeks capital growth by investing in a portfolio of MENA listed equities

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Prospective investors should be aware that investment in the Fund carries a significant degree of risk. The Fund is intended for sophisticated investors only who understand the risks involved in investing in the Fund and can withstand any potential loss there from. Past performance is no guide to future returns. The Fund is not guaranteed and investors may not get back the amount originally invested. Furthermore, the Fund contains specific geographical and asset class risks, whereby it might be difficult for an investor to realise an investment in the Fund, or to obtain information about performance.
Emirates Investment Services Limited is regulated by the Dubai Finanacial Services Authority.

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