Aafaq Investment Funds

NBD MENA Fund

March 2007

% Return	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005 MENA												0.59	0.59
2006 MENA	1.34	1.45	-7.26	-1.70	-14.92	-6.21	3.20	5.05	1.19	2.73	-3.97	1.47	-17.87
2007 MENA	-0.40	1.48	1.40										2.49

YTD Returns have been compounded on a monthly basis

Fund Performance

NAV/Unit (AED)	8.47
Month on Month	1.40%
Incep.(Nov. 2005)	-15.33%

Head of Asset Mgt
Farah Foustok

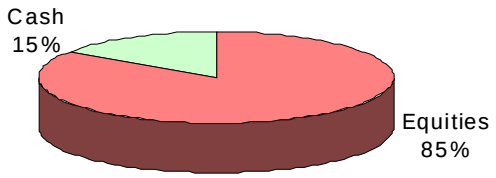
Fund Manager
Leslie Dharmasena

Management Team
Anita Shetty

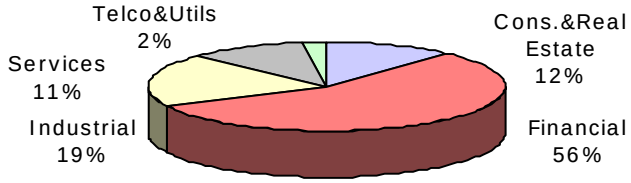
The NBD MENA Fund rose by 1.4% to close at an NAV of AED8.47 during March, strongly outperforming the Shuaa Capital Arab Index, which declined by 1.65% during the month. The fund's strong performance was attributable to significant exposure to the Turkish and Kuwaiti markets, which gained 5.4% and 9.1% respectively, during the month. Timely entry and exit from the KSA market during a volatile month, ensured the locking in of trading profits. Morocco continued to rise in March gaining 5.9% while Egypt remained virtually unchanged at 0.6% in the absence of any market moving news. The major gainers in our investment universe included Bank Asya, National Soc Gen Bank, Mobile Telecom and National Mobile Telecom which rose by 22.3%, 17.6%, 17.6% and 16.9% each respectively. The major losers included Saudi Ceramics, Saudi Industrial Development, Amlak Finance and Global Investment House which declined by 15.5%, 20.2%, 20.3% and 21.7% respectively.

In the absence of any market moving news, we expect the regional bourses to trade range bound, however, with an upward bias supported by the release of 1Q2007 corporate results which have now started to trickle through. The Turkish lira meanwhile is expected to remain relatively stable on the back of healthy macro-economic data release and strong EM fund flows. This should have a strong positive impact on the Turkish bourse which is expected to test higher ground over the next couple of weeks. The North African markets are meanwhile expected to remain relatively flat although the release of the 1Q2007 corporate results is expected to exert some positive influence on market direction.

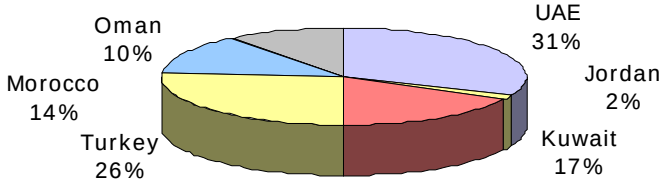
Asset Allocation



Equity Sector Allocation



Equity Country Allocation



Top Equity Holdings*	*(%)*
Aabar Sukuk	5.28
Emaar Properties	5.18
CFG Morocco Fund	4.85
TAVHAVALIMANLA	4.36
Arabtec Construction	4.34

** % of NAV*

Fund Details

Type of Fund	: Open Ended	Subscription Fee	: 1.00%
Fund Currency	: UAE Dirhams	Management Fee	: 2.00% (on non-cash assets)
Unit Price at Inception	: AED10	Performance Fee	: 10% of gains over the Hurdle Rate of 10%
Min. Initial Subscrip (AED)	: 100,000		
Min. Subsequent Subscrip (AED)	: 50,000	Redemption Fee	: 1.5% for Year 1
Dealing Day	: 1st Business Day of each month		: 1.0% for Year 2
Manager	: NBD	Bloomberg Code	: NBDMENA UH
		Zawya Code	: NBDMENA.MF

Investment Objective

The Fund seeks capital growth by investing in a portfolio of MENA equities and equity linked securities.

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