Makaseb Emirates Equity Fund
April 2005

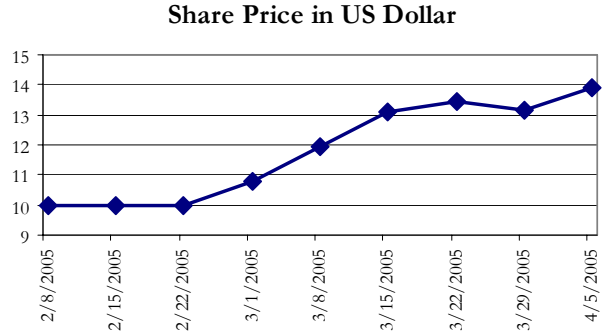
Investment Objective:

To achieve long term capital appreciation through investing mainly in shares of companies listed on the Stock Exchanges of UAE.

Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Weekly
Subscription	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

Performance Chart



Performance Summary

NAV (April 5th, 2005)	USD 13.93
February 2005	11.4%
March 2005	22.3%
April 2005	2.5%
Since Inception	39.6%

Top Five Holdings

Etisalat
Emaar
National Bank of Dubai
Dubai Islamic Bank
Emirates Bank International

Overview and Outlook

Stock Exchanges in UAE did remarkably well during month of March. The market benefited tremendously from the robust results and indications of corporate actions announced. Stock of Etisalat – one of our core holdings – was the market's top gainer increasing significantly by almost 60 percent after announcing 19% increase in its net income for 2004, followed by generous cash and stock dividends.

The Makaseb Emirates Equity Fund had another good month, with NAV increasing by 22.3%, helping Year to Date return to reach 39.6% as of April 5th 2005. It has successfully invested in a diversified portfolio that provides exposure to the telecommunications, finance, and real estate sectors.

Looking ahead, Mashreqbank believes that the factors leading to such a strong performance remain intact, and the bullishness will continue in the short / medium term. These factors include:

- Energy prices which are at record high levels, and are not expected to see any significant correction in the near term;
- The high levels of liquidity, both in the GCC markets and in the international capital markets, remain supportive of financial assets;
- Robust corporate earnings fuelled by economic growth in all sectors of the UAE economy;
- Strong domestic and regional investor interest, coupled with new company listings on the DFM / ADSM.

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