MAKASEB EMIRATES EQUITY FUND

Fact Sheet for February 2008

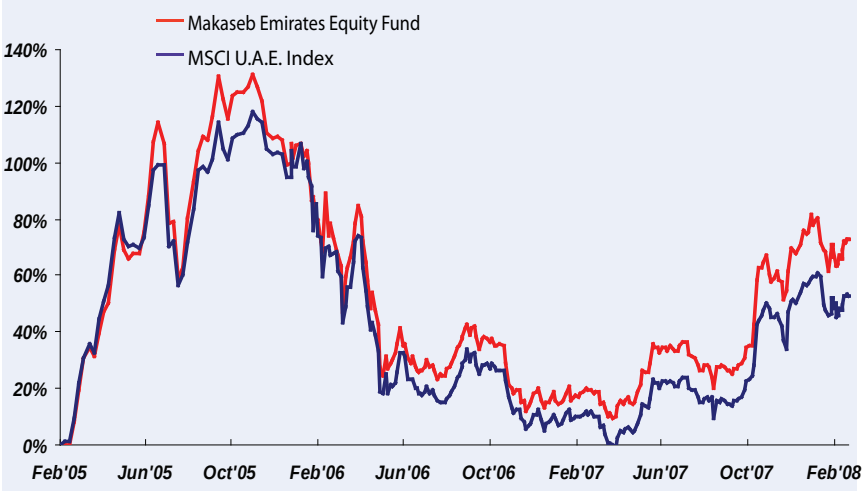
Investment Objective

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 Information

Fund type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Central Bank of Bahrain
Net Asset Value	Each Business Day
Investment Manager	Mashreqbank psc
Share Registrar	KeyPoint Consulting W.L.L., Bahrain
Administrator	HSBC Middle East
Custodian	HSBC Middle East
Auditor	Deloitte & Touche
Primary listing	Bahrain Stock Exchange
Subscription	Each Busniess Day
Redemption	Each Busniess Day
Management fee	1.5% p.a.

Performance Chart since inception

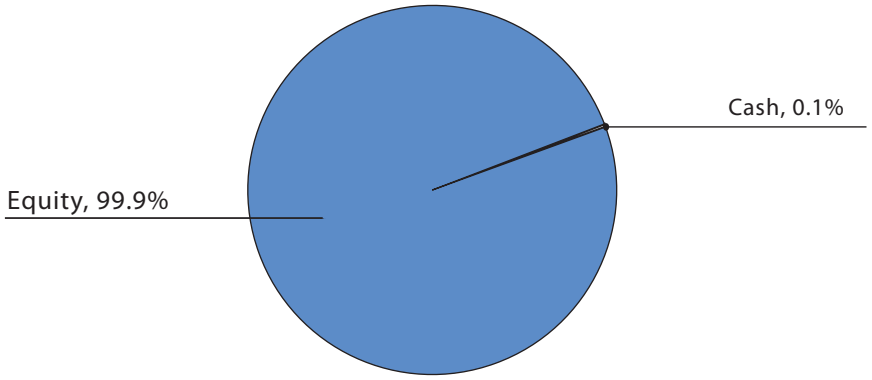


Perfomance Summary

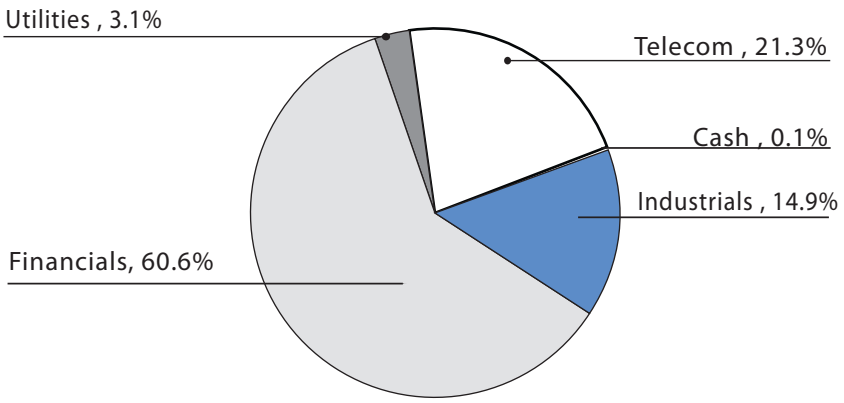
	MEEF	MSCI UAE Index
NAV (February 28,2008)	US$17.28	
Since inception (Feb 08, 2005)	72.8%	52.8%
YTD-2008	-0.2%	-1.3%
February 2008	6.8%	4.6%
Year 2007	50.2%	43.2%
Year 2006	-42.3%	-44.5%
Year 2005	99.9%	94.7%
No. of Holdings	14	34
Max. Monthly Gain	31.4%	31.0%
Max Monthly Loss	-25.7%	-21.4%
Beta	0.9	
R-Sq	73.2%	
Standard Deviation (Since Inception)	30.6%	29.4%
Sharp Ratio	2.2	1.6
Treynor Ratio	0.8	
Information Ratio	1.3	

STANDARD &POOR'S A FUND MANAGEMENT RATING

Asset Allocation



Sector Allocation



MAKASEB EMIRATES EQUITY FUND

Fact Sheet for February 2008 Contd.

Top 5 Holdings

Stock	Weight
Emaar Properties	24.4%
Emirates Telecom Com	21.3%
Dubai Islamic Bank	11.0%
Dubai Financial Market PJSC	7.2%
Arab Technical Construction	7.0%

Fund Codes:

WKN: A0J3RM
ISIN: BH000A0J3RM7
BLOOMBERG CODE: MAKEEFD BI
ZAWYA CODE: MAKEMRE.MF

Investment Manager & Sponsor:
Mashreqbank psc, Al Ghurair City,
7th Floor, P.O. Box 1250, Dubai, U.A.E.
Tel +9714 2078461

Registered Office:
14th Floor, City Gardens, P.O. Box 140, Manama,
Bahrain. Tel + 97317 535455

Fund Manager's Commentary

February witnessed local and foreign investors flocking UAE equities due to relatively cheap valuations.

Both Dubai Financial Market and Abu Dhabi Securities Market regained momentum by adding 7.7% and 5.0% respectively to their market value. All sectors closed the month in a positive territory with diversified financials, materials and telecommunications in the lead. Amongst the liquid stocks Dubai Islamic Bank was the star performer. The stock appreciated by 16.4% due to a relatively attractive cash and stock payout.

Liquidity dried in February when compared to the last month as value traded in shares declined in both Dubai and Abu Dhabi by 39% and 34% respectively. This suggests that investor exercised caution before first quarter results.

Your fund gained 6.8%, outperforming the benchmark by 2.15%. Most of the out performance during February can be attributed to stock selection. Our overweight in Dubai Islamic Bank was the major driver of out performance followed by Etisalat and Arabtec Holding; both of which are significant over weights in the fund.

Investors will keep an eye on the first quarter results which might act as a catalyst to move the markets to the upside in the near future. We believe that telecom sector will continue to benefit from the high GDP per capita in the country and consequently will show high profitability, hence will continue to overweight the sector. Generally the investment manager will continue to focus on sectors and stocks that will benefit from the inflationary environment or are expected to be least impacted compared to other sectors.

March 06, 2008

For more information, please contact: Gayatri Banga (+971 4 207 8535) www.makaseb.com email: contact@makaseb.com

Disclaimer: Performance data quoted represents past performance: past performance does not guarantee future results. The investment return and principal value of an investment will fluctuate so that an investor's shares, when redeemed may be worth more or less than their original cost. Current performance of the Fund may be lower or higher than the performance quoted.