MAKASEB EMIRATES EQUITY FUND

Fact Sheet for November 2006

Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Bahrain Monetary Agency
Net Asset Value	Each Sunday and Wednesday
Subscription	Each Monday and Thursday
Redemption	Each Monday and Thursday
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

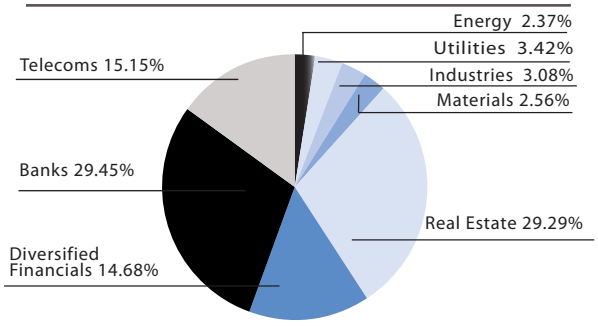
Performance Summary

	Makaseb Emirates Equity Fund	MSCI U.A.E Index
NAV (November 29, 2006)	USD 11.17	
November 2006	-17.55%	-16.43%
October 2006	-1.58%	-1.65%
September 2006	-0.01%	0.61%
August 2006	10.26%	11.25%
Since Inception (Feb 8, 2005)	11.66%	5.63%

Top 5 Holdings

Stocks	Weight
Emaar Properties pjsc	29.7%
Emirates Telecom Corp	15.2%
Dubai Islamic Bank	8.1%
Abu Dhabi Commercial Bank	7.6%
First Gulf Bank	5.8%

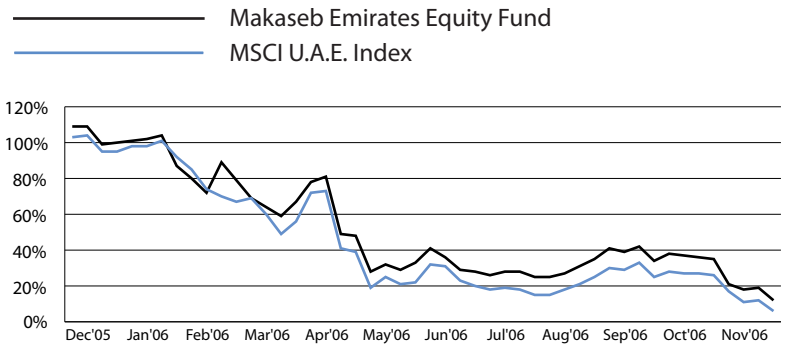
Sector Allocation



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

A renewed bout of panic-selling in Saudi Arabian equities sparked a downside in the UAE stock markets. The UAE markets also suffered from a large outflow of funds for participation in the DFM Initial Public Offering (IPO). The IPO was priced cheaper than the wider market, with a trailing (2005) price to earnings ratio of 6.38. The trailing PE for the UAE market currently stands at 13.25.

These two events during the month of November dragged the Dubai Financial Market and Abu Dhabi Securities Markets down by 20% and 14% respectively. The losses in DFM were predominantly driven by a 21% decline in the stock price of Emaar Properties, which currently makes up about 31% of total market capitalization. ADSM has also suffered because of the lackluster performance of Abu Dhabi banks.
Your fund closed the month down 17.55% underperforming the benchmark by 1.12%. This was primarily due to our relative overweight in Emaar Properties and Abu Dhabi banks specifically Abu Dhabi Commercial Banks and First Gulf Bank which lost 23% and 11% respectively.

In the short term we expect the markets to recover on the refunding of money of the DFM IPO whose open tranche was oversubscribed 300 times. We stress, however, that the UAE markets offer attractive value on a long-term basis, and current levels could well represent good entry points for institutional investors with multi-year investment time horizons.

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