

## Fact Sheet for February 2009

### Executive Summary

Fund Type	Open-End Fund
Domicile	Bahrain
Currency	US Dollar
Regulator	Central Bank of Bahrain
Net Asset Value	Every Tuesday
Subscription	Every Wednesday
Redemption	Every Wednesday
Management Fee	0.75% p.a.
Investment Manager	Mashreqbank psc
Share Registrar	Deloitte & Touche
Administrator	HSBC Middle East
Custodian	HSBC Middle East
Auditor	Deloitte & Touche
Listing	Bahrain Stock Exchange

### Performance Summary

NAV (February 24, 2009)	USD 7.24
1 Month	-0.75 %
3 Months	-10.65 %
YTD	-12.18 %

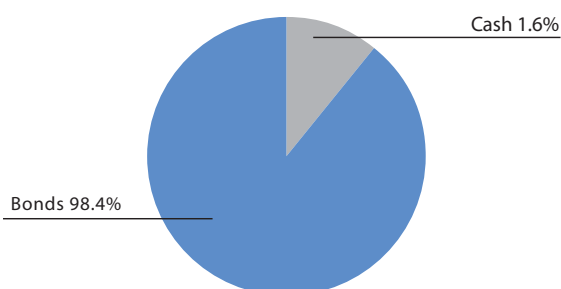
### Top 3 Holdings

Security	% Holding
Nakheel	12.2 %
ICICI	9.7 %
DP World	9.2 %

### Income Summary

YTM	16.78 %
3 month USD Libor (Average)	1.33 %
Modified Duration	0.2939

### Portfolio Composition



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BLOOMBERG CODE: MAKAINC BI  
ZAWYA CODE: MAKINCM.MF

### Investment Philosophy

Makaseb Income Fund (MIF) primarily seeks to provide current income along with the stability of capital. Fund's secondary objective is to seek income growth over the long term. The Fund aims to achieve its investment objective by investing in a diversified portfolio of fixed and floating rate investments originating from countries in the GCC, MENA, South Asia and other emerging economies.

### Investment Guidelines

(a) Investment in a single GCC country capped at 50% (b) Investment in a single country in MENA/South Asia capped at 50% (c) Total investment in other emerging economies capped at 20% (d) Investment in instruments issued by a single issuer capped at 20% (e) Investment in sub investment grade instruments capped at 75% (f) Investment in non rated instruments capped at 25%.

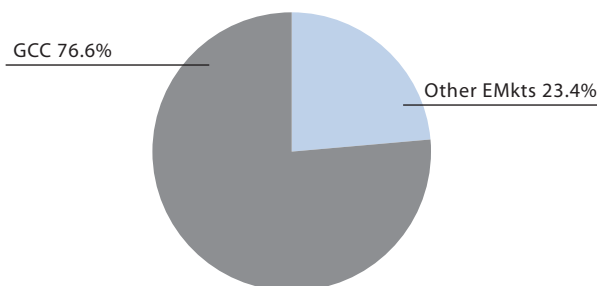
### Overview and Outlook

Over the month of February your fund was down 0.75% as compared to the headline HSBC Middle East Corporate Index which is lost 0.17% for the same period.

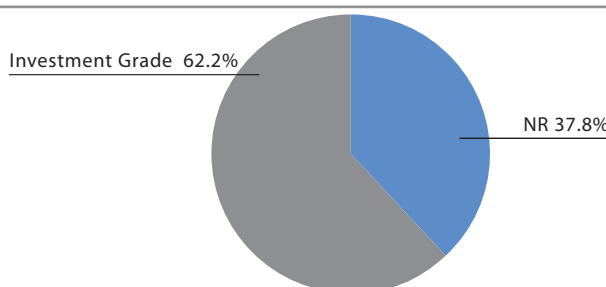
In spite of a slight rally in global credit markets in the month of January, February started with a return to the negative sentiment that prevailed for much of 2008. Continued concern over the state of the global economy and uncertainty over fiscal stimulus measures caused an early sell off. Further to the global worries, regional markets also reacted in a mixed and rather nervous manner to the unilateral actions undertaken by the Abu Dhabi government in respect of the Emirate's banks. However the news of the Dubai government bond issuance a few weeks later, did give regional fixed income markets a general boost.

With regards to governmental actions and our belief in the solid opportunities that are now available in the regional fixed income markets, we took the decision early on in the month to tilt the portfolio towards high grade value credits that have borne the brunt of market worries. This move, in our opinion explains the slight underperformance. Once again we would like to reiterate our strong belief in the immense value found in regional markets, and we would strongly recommend further investment in this fund as we head further into 2009.

### Regional Composition



### Portfolio Rating Profile



*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.*