

## Fact Sheet for January 2008

### 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	1.25% 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

\* Management fee is reduced from 1.25 % to 0.75% effective from 1st August, 2007.

### Performance Summary

NAV (January 29, 2008)	USD 10.27
1 Month	-1.04%
3 Months	-0.89%
YTD	-1.04%
Since Inception (March 29, 2006)	2.73%

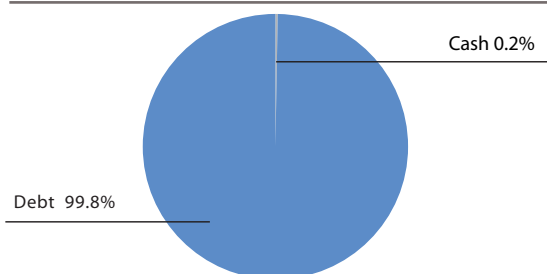
### Top 3 Holdings

Security	Maturity	% Holding
Ahli United Bank	02-Dec-15	23.23%
Tabreed	20-Jul-11	19.33%
Kuwait Projects	12-Apr-11	18.41%

### Income Summary

YTM	4.06%
3 month USD Libor (Average)	3.11%
Modified Duration	0.58

### Portfolio Composition



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WKN: A0J3RR

ISIN: BH000A0J3RR6

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

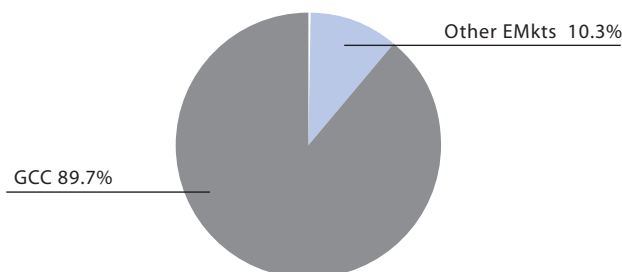
January was witness to a global financial markets sell off across the board; your fund over the past month has declined by 1.04% as compared to the DFM down 5.33%, the S&P500 down 6.12% while the US high grade CDS index is down 39%.

The downgrade of the Bond Insurers like Ambac and the other insurers being put on negative watch by the rating agencies impacted bond prices globally including the MENA region. The FED cut its benchmark rate in an unprecedented move a week before its scheduled 31st Jan meeting by 75bps and by an additional 50bps on the 31st of January, which has provided liquidity and some measure of calm to the credit markets.

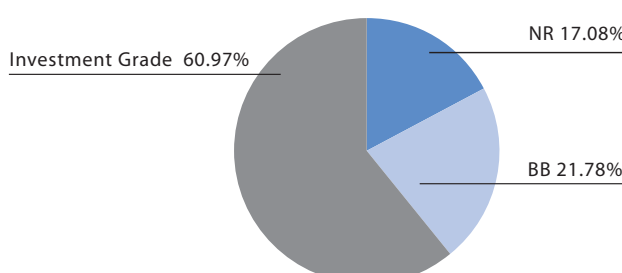
The fund is positioned so as to try and minimize market volatility and to take advantage of a possible upturn in 2008.

Issued on 09 February, 2008

### 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.*