

Fact Sheet for July 2007

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 (July 31, 2007)	USD 10.17
1 Month	-0.64%
3 Months	0.0111%
YTD	0.05%
Since Inception (March 29, 2006)	1.71%

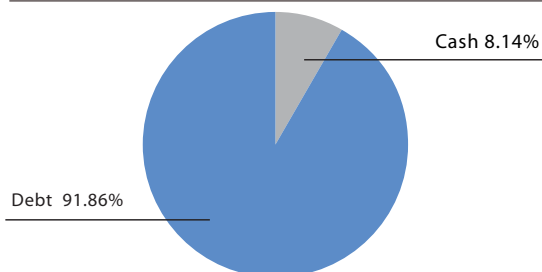
Top 3 Holdings

Security	Maturity	% Holding
Dar Al-Arkan	16-Jul-12	16.38%
United Gulf Bank	13-Oct-16	16.37%
PCFC Development Bond	23-Jan-08	12.92%

Income Summary

YTM	4.918%
3 month USD Libor (Average)	5.36%
Modified Duration	0.9317

Portfolio Composition



For more information please contact
Gayatri Banga (+971 4 207 8535)

Investment Manager & Sponsor:
Mashreqbank psc, Al Ghurair City,
3rd 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
Website www.makaseb.com

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%.

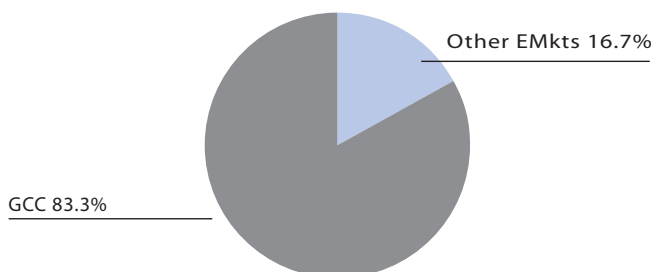
Overview and Outlook

The past month your fund has lost 0.64%, as global credit markets have suffered huge declines. To put this figure in a regional context the new Dubai World 30 year bond has lost 2.6% over the same period. This dramatic turnaround in sentiment can be traced back to sub prime mortgage losses in the US; which have precipitated a global credit crunch, a re-pricing of risk and a capital flight away from bonds. In spite of the fund's aggregate performance our position in PCFC convertible security continued to buck the market by appreciating by a further 0.81% from last month.

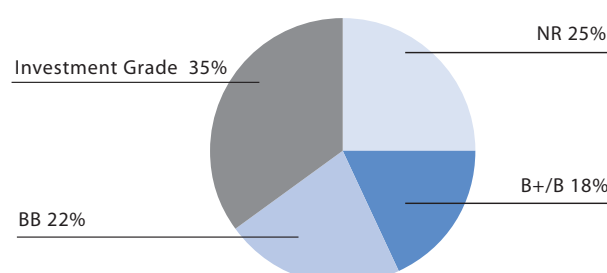
Although fundamentals are still in place, and defaults are still at historically low levels we do envisage continuing credit market volatility, as the sub prime fall out continues to reverberate globally. We would like to stress that although our portfolio has no direct exposure to the current upheavals in the US mortgage market, we have over the past month begun to re-shape the portfolio. This is so as to take account of the current market situation and ensure that the fund is in the best possible position to achieve positive returns when stability returns to the global credit markets.

Issued on 6th August, 2007

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.