

## Fact Sheet for October 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 (October 28, 2008)	USD 9.16
1 Month	-6.05 %
3 Months	-10.64 %
YTD	-12.0 %
Since Inception (March 29, 2006)	-8.5 %

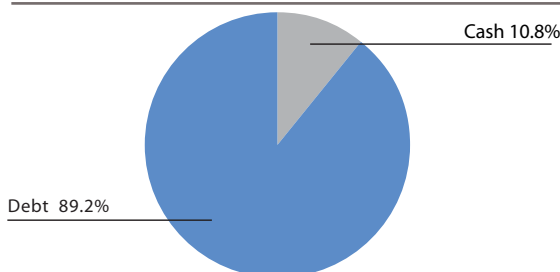
### Top 3 Holdings

Security	Maturity	% Holding
Nakheel	16-Jan-11	10.53%
Emirates Bank	26-Mar-18	8.92%
RAK Capital	28-May-13	8.27%

### Income Summary

YTM	9.33 %
3 month USD Libor (Average)	3.03 %
Modified Duration	0.4528

### Portfolio Composition



For more information please contact  
Moomal Punjabi (+9714 207 8396)

Investment Manager & Sponsor:  
Mashreqbank psc, Al Ghurair City,  
3rd Floor, P.O. Box 1250, Dubai, U.A.E.  
Tel +9714 2078461

Registered Office  
Flat 141, Building 3, Road 365, Block 316  
Manama, Kingdom of Bahrain  
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

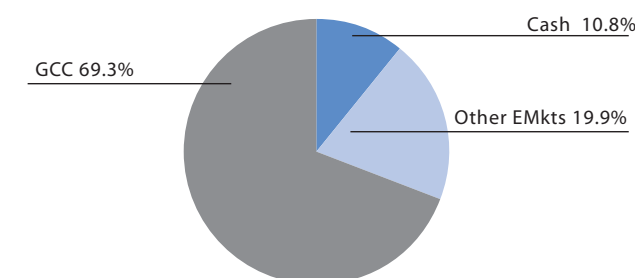
October was perhaps one of the worst months on record for global capital markets.

Over the month the credit crisis quickly manifested itself into a global credibility crisis, as mass de-leveraging across almost all asset classes hit the global financial markets. In the midst of such volatility the MENA region once again has not been immune. For example the DFM in October lost 24%, the Saudi Tadawul All Share Index lost 18% and the ADSM lost 12%. As far as regional credit markets are concerned, the headline HSBC Middle East Corporate Index is down 20.31% for the month.

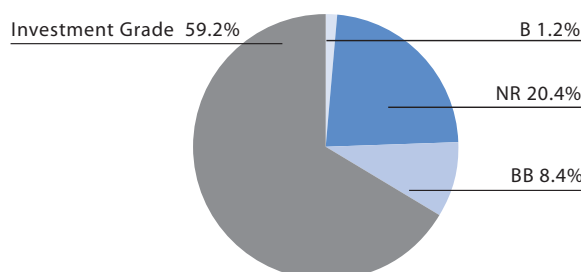
In October your fund lost 6.05% in comparison. With current market conditions offering attractive rates of return to the long term investor, we will continue to selectively deploy our additional cash in high quality, high yielding regional credits. In addition, as we have maintained right throughout the year, we believe that domestic demand in regional economies continues to be strong and sustainable, and that company fundamentals are still in place.

Issued on November 5, 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.*