

Fund Overview

The Fund is designed to achieve long-term capital growth through investment in a diversified portfolio of GCC equities. The performance of the Fund is benchmarked against the S&P GCC Index.

Gulf Investment Corporation, the Investment Manager, is an experienced GCC investor and pursues an active management strategy of 'Growth at Reasonable Price'. The Fund Management team is ably supported by a team of dedicated GCC Research analysts.

The GIC Composite Index, representing all six GCC markets, is used as a broad country and sector allocation tool. It is US dollar based and market cap weighted.

Fund Information

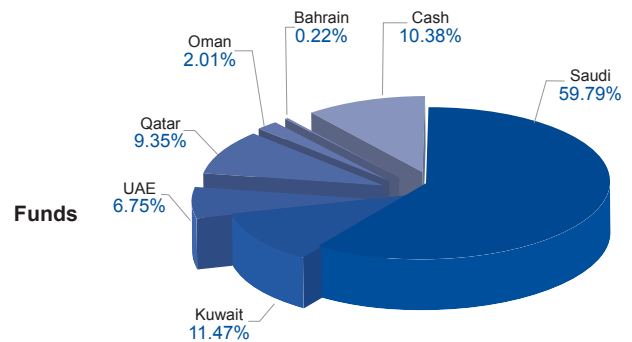
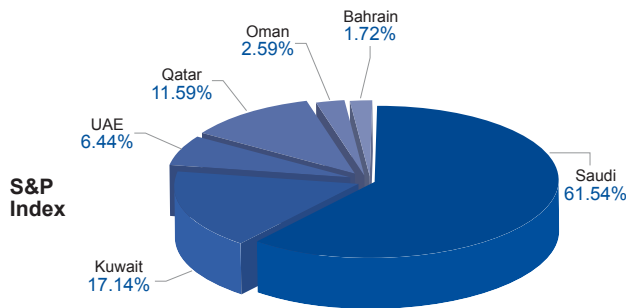
Launch Date	April 12th, 2003
Jurisdiction	Bahrain
Currency	U.S. Dollars
Subscription / Redemptions	Weekly at NAV
Minimum Subscription	US\$ 100,000
Investment Manager	Gulf Investment Corporation
Management Fees	1.5% per annum
Performance Fees	10% of returns above 10% per annum
Subscription Fees	2%

Portfolio Structure

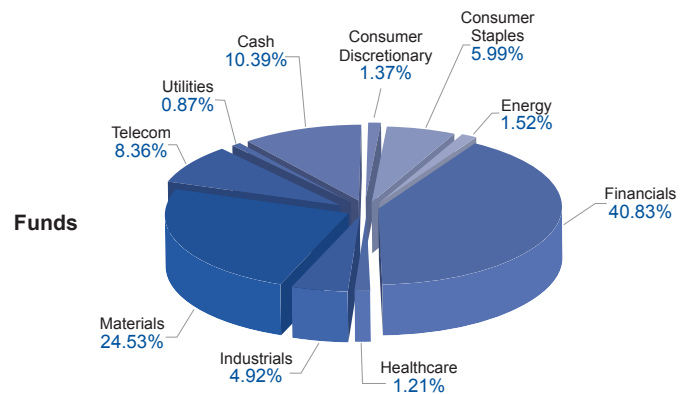
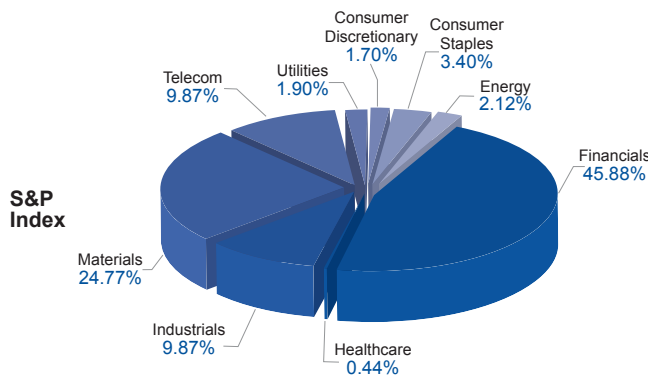
Fund Size : \$94 MM

Number of Holdings : 60

Country Allocation as of 31st Jan 2012



Sector Allocation as of 31st Jan 2012

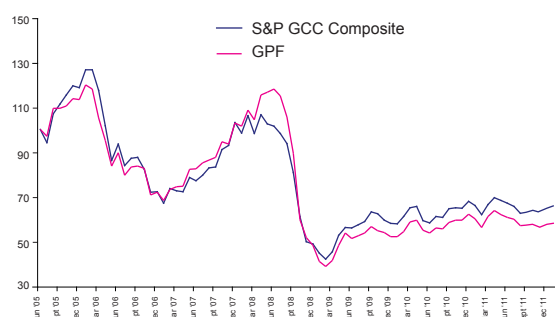


Top Holdings

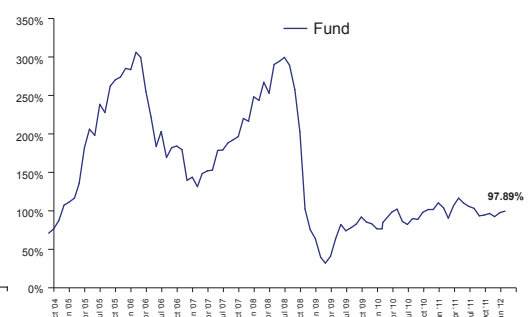
As of 31st Jan 2012

- 1) Al Rajhi Bank
- 2) Saudi Basic Inds Corp. (SABIC)
- 3) Saudi Fertilizer Co.
- 4) Al Othaim - Abdulla
- 5) Etihad Etisalat Company

GPF vs S&P GCC Index



GPF since inception



Fund Rating



Monthly Performance

Annualized rate of return : **+8.02%**

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2003				4.20	6.66	3.47	6.72	3.77	1.85	-2.69	2.79	3.17	33.84
2004	2.23	3.15	3.03	5.39	-0.27	2.50	6.84	1.08	3.28	6.52	10.41	1.96	56.53
2005	2.59	8.85	19.88	8.51	-2.67	13.65	-3.09	10.47	2.32	0.95	2.94	-0.35	82.26
2006	5.88	-1.67	-10.98	-9.45	-12.10	6.92	-11.20	4.83	0.69	-1.55	-14.40	1.65	-36.60
2007	-5.04	7.26	1.46	0.43	10.14	0.25	3.26	1.56	1.32	8.06	-1.15	10.13	43.25
2008	-1.43	7.04	-3.94	10.61	1.08	1.26	-2.62	-8.16	-15.39	-33.40	-13.41	-6.72	-53.29
2009	-14.78	-5.49	6.63	16.4	11.49	-4.48	2.43	2.42	5.34	-3.55	-1.32	-3.42	8.13
2010	-0.22	4.66	7.68	1.72	-7.82	-2.19	4.23	-0.60	4.88	1.87	0.11	4.35	19.27
2011	-3.22	-6.64	8.83	4.55	-3.03	-1.86	-1.29	-4.80	0.46	1.15	-2.19	2.70	-6.16
2012	1.02												1.02

Market Review

GCC markets opened the year with contrasting fortunes in the month of January as the US economic recovery seems to be picking up speed while Europe's future still looks as uncertain as ever. While investors remain as ever sceptical and wary of Europe's situation, the US has come out with very encouraging economic data convincing investors that the world's largest economy is getting its act together and in turn, pushing global markets up. Market sentiment has soured further over the Greek debt situation, and subsequently further light is being shed on Portugal's insolvency in the short term. The dollar continued to strengthen against all its major peers as money continues to flood into US treasuries.

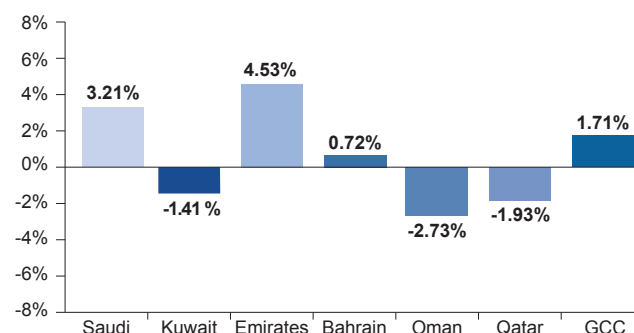
Latest economic data disseminating from the US has showed signs of a slow but gradually strengthening recovery in the world's largest economy. Unemployment is down to its lowest level since 2008 and stock indices have rallied recently on renewed optimism that the US economy can galvanise the world recovery. Europe remains the biggest conundrum, but a new treaty which will further tighten fiscal rules and heavily monitor EU nation's spending will go some way to fixing the region's fundamental problems. A widespread recession is expected throughout the EU, but investors are watching carefully as to how policy makers can perhaps limit the damage inflicted in the region.

Equity markets have rallied recently on a global scale as genuine optimism emerges that a solid recovery is now underway with the US leading the way. Money continues to flood into US treasuries while the dollar strengthens. Gold, which has had a horrid time in recent weeks, performed admirably in January as it surged +11.12% to close the month at USD 1737.6/oz. Crude oil remained steady as the ongoing geopolitical dispute with Iran continues to act as a support level for current prices. WTI crude was marginally down -0.53% to close at USD 98.5/bbl while Brent rose +3.85% to close the month at USD 111.0/bbl.

GCC markets had mixed results, as the S&P GCC index gained +1.70% for the month of January.

S&P Oman and S&P Qatar were the worst performing markets for the month as they slid -2.73% and -1.93% respectively. In

GIC Country Indices Performance



Oman, the Industrials and Services sectors fell -2.63% and -2.77% respectively, contributing to the poor performance of the index. In Qatar, a surge in the Insurance sector by +6.96% was not enough to offset losses in the Banking sector which dropped -3.52%.

S&P Kuwait declined -1.41% for the month while S&P Bahrain gained slightly +0.72%. In Kuwait, the Insurance sector fell a hefty -4.08% while the Services sector also slid by a significant -3.17%. In Bahrain, a drop in the Insurance sector by -3.38% and a -2.98% decline in the Industries sector failed to put the index in the red, as the large Banking sector gained +0.88%.

S&P Saudi Arabia and S&P UAE were the best performing markets in the region, gaining +3.21% and +4.53% respectively. In Saudi, a surge in the Transport and Multi-Investment sectors by +17.10% and +15.53% contributed to the positive performance of the index. In the Abu Dhabi, the Telecom and Financial Services sector performed well as they both rose +4.05% and +4.08%. In Dubai, a surge in the Real Estate sector by +11.86% boosted the index.

During the month of January 2012, the Gulf Premier Fund under-performed its benchmark with returns of +1.02% compared to +1.70% on the S&P GCC Index.



Gulf Investment Corporation
 Sharq, Jaber Al Mubarak Street
 P.O. Box 3402, Safat 13035, Kuwait
 Tel: (+965) 2222 5000 Fax: (+965) 2222 5128
 Website: www.gic.com.kw

Contact Person:
Talal Al-Tawari
 Acting Head of Sales, Products and Marketing Div.
 E-mail: taltawari@gic.com.kw
 Tel: (+965) 2222 5343