

### Fund Overview

The Fund is shaped to procure long-term capital gains through investment in a concentrated Islamic compliant portfolio of GCC equities.

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 competently supported by a team of dedicated GCC research analysts.

The Fund is tailored to provide un-benchmarked absolute return.

### Fund Information

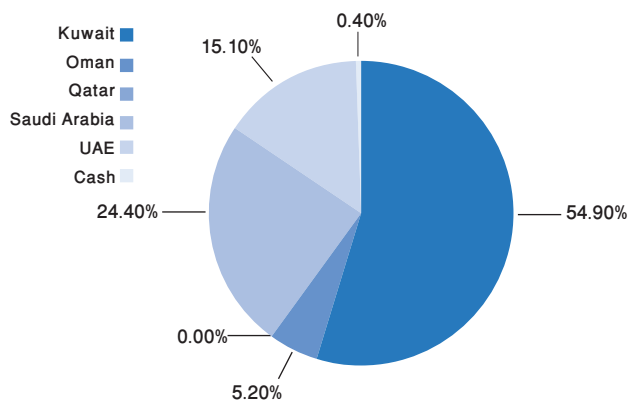
Launch Date	January, 2008
Jurisdiction	Bahrain
Currency	US Dollars
Subscriptions & Redemption	USD 100,000
Minimum Subscription	Weekly at NAV
Investment Manager	Gulf Investment Corporation
Management Fees	1.5 % per annum
Incentive Fees	10% over 10% performance per annum
Subscription Fees	2%

### Portfolio Structure

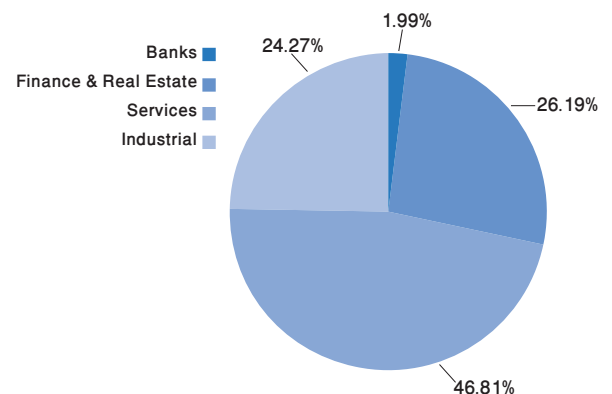
Fund Size : \$ 11.8 MM

Number of Holdings : 9

### Country Allocation as of 30th June 2008



### Sector Allocation as of 30th June 2008



### Market Review

During June, the GCC markets maintained the trend of May, remaining range-bound, with mixed directions. With the exception of the UAE and Oman, the other markets closed net positive for the month. In the absence of major catalysts to drive the markets or set direction, trading was mostly listless.

Kuwait managed to reverse direction from last month, as some of the large-caps contributed positively, in unison with the smaller-caps, which continued their upward trend. Key Industrial and Real-Estate companies extended their recent trend and remained at the forefront. The Saudi market also switched tack from last month, as Insurance companies surged ahead with strong gains, with support from key Industrials, managing to override the negative impact of declines on select Bank and Cement names.

Following an exceptional run during the past couple of months, the Qatari market witnessed a marked slowdown as profit-taking saw key stocks edge down. Meanwhile, Bahrain managed modest gains for the month, with support from Bank stocks. Oman was pulled down by a reversal in direction on frontline Bank stocks. The UAE continued to languish, with insipid performance from key property developers, mortgage companies and Bank stocks.

During June '08, the GIF managed returns of 2.698%, bringing returns for the year-to-date to 18.81%.