

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

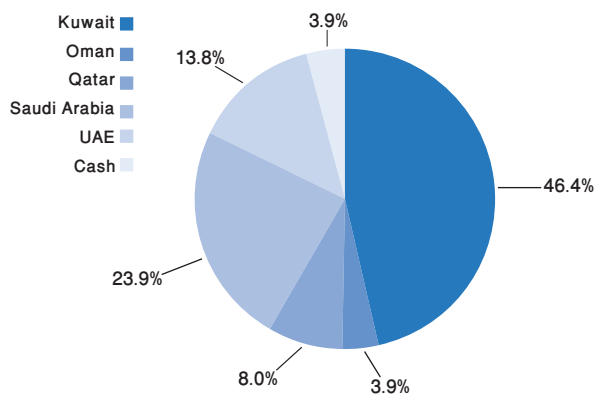
Launch Date	January, 2008
Jurisdiction	Bahrain
Currency	US Dollars
Subscriptions & Redemption	USD 100,000
Minimum Subscription	Weekly at NAV
Investment Manager	Gulf Investment Corporation
Management Fees	1.5 % per annum
Incentive Fees	10% over 10% performance per annum
Subscription Fees	2%

Portfolio Structure

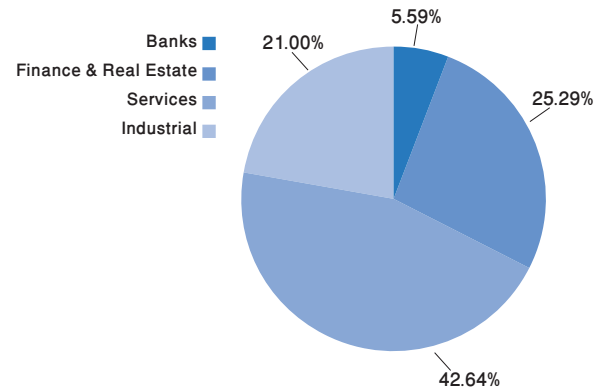
Fund Size : \$ 11.4 MM

Number of Holdings : 16

Country Allocation as of 30th September 2008



Sector Allocation as of 30th September 2008



Market Review

The global credit contagion and the resultant financial meltdown continued to take its toll on the GCC region during September, dragging all regional indices down with no exception. Despite clarion calls regarding the continuing bedrock of fundamental stability in the region, the exacerbation of the 'fear factor', coupled with the sudden vaporisation of credit in the region accelerated the decline. Though certain markets and sectors were more affected than others, the declines were broad-based and by no means sector or stock specific.

The MSCI GCC Index recorded its biggest monthly drop since inception as it shed 112 points to edge down by 16.8%. The Saudi and UAE markets were the most-affected, with declines of 20.2% and 16.9% respectively on the MSCI country indices. The Omani and Bahraini indices fared slightly better with net returns of -13.5% and -12.3% respectively. Qatar topped off the list with -11.1%, while Kuwait lagged slightly behind with -11.6%.

During September '08, the GIF managed returns of -14.20%, bringing returns for the year-to-date to -11.68%.