

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 MSCI 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

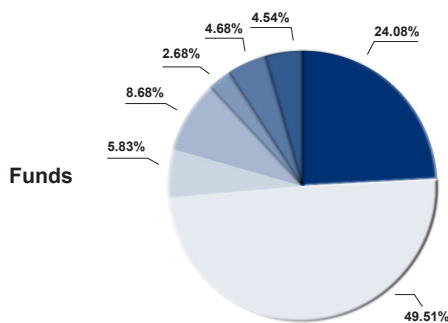
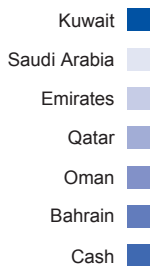
Launch Date	April 12th, 2003
Jurisdiction	Bahrain
Currency	U.S. Dollars
Subscription / Redemptions	Weekly at NAV
Minimum Subscription	US\$ 100,000
Investment Manager	Gulf Investment Corporation
Management Fees	1.5% per annum
Performance Fees	10% of returns above 10% per annum
Subscription Fees	2%

Portfolio Structure

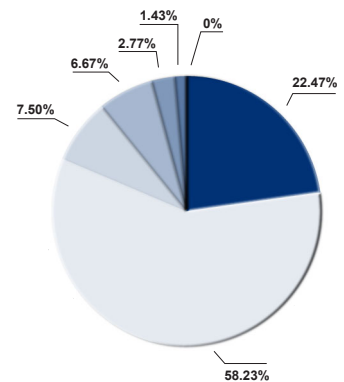
Fund Size : \$61.85

Number of Holdings : 48

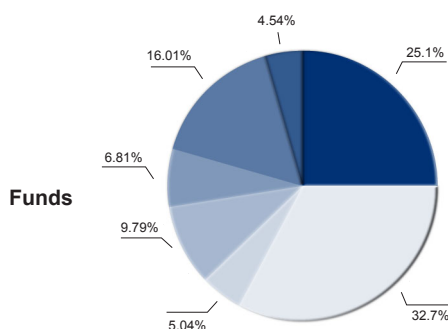
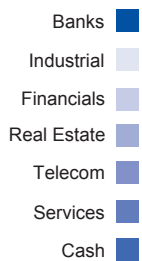
Country Allocation as of 31st March 2009



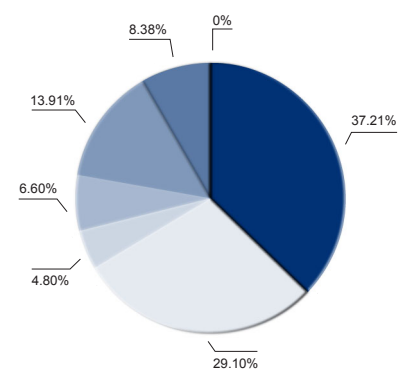
MSCI Index



Sector Allocation as of 31st March 2009



MSCI Index

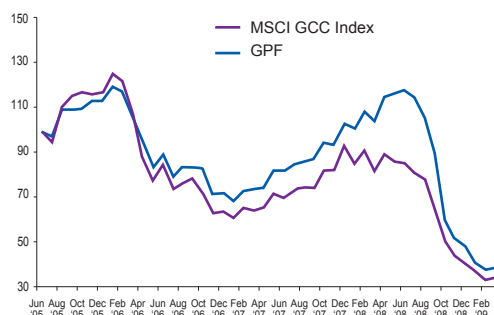


Top Holdings

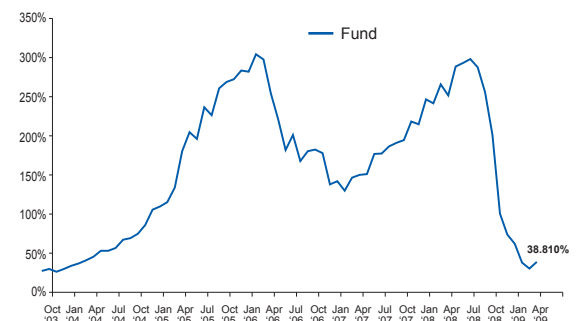
As of March 31st 2009

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

GPF vs MSCI GCC Index



GPF since inception



Monthly Performance

Annualized rate of return : **5.62%**

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										-14.13

Market Review

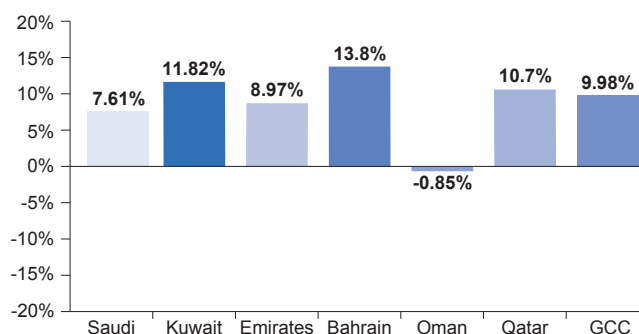
The month of March led to a marginal recovery in fortunes for the GCC markets, and the MSCI GCC Index recorded its first monthly net gain following a dry run for 10 consecutive months. All country indices, save for MSCI Oman, closed with gains for the month. Part of the gains could be attributed to the steady positive trend in Oil prices with Brent Crude recording a monthly net of 9.37%, reflected in the gain on the MSCI GCC Index of 8.48%. However, most indices failed to hold on to initial gains, and witnessed corrections towards the end of the month.

For most of the month, the MSCI Kuwait Index was the leading performer, but a sharp decline in the last week brought the index down, restricting gains for the month to 10.96%. The market reacted to political developments in Kuwait, particularly the approval of the 'Bank Rescue Plan' that gave a fillip to select sectors. The non-compliance of companies to the deadline for publication of financials, and the subsequent suspension of 36 companies from trading, were highlights of the latter part of the month. Meanwhile, Investment companies remained under a cloud, as the modalities of implementation of the restructuring plans remained unclear.

Bahrain was the best performing market during March, and the MSCI Bahrain Index closed the month with gains of 13.47%, driven by strong gains by Financial Services majors like Ithmaar Bank (+47.8%) and Gulf Finance House (+26.8%). Qatar followed Kuwait, with the MSCI Qatar Index scoring 9.89% for the month, spurred by strong performance from the large-cap names. Qatar National Bank was the best performing (+28.2%), followed by Industries Qatar (+23.8%) and Commercial Bank of Qatar (+15.5%), while Doha Bank (-6.3%) led the laggards.

Key Petrochem and select Bank stocks in Saudi witnessed a rebound, albeit marginal, during the second half of the month, propping up the MSCI Saudi Index to close with net gains of 7.61%. Bank Al

GIC Country Indices Performance



Bilad (+24.9%), Savola (+21.4%) and SIIC (+17.8%) were the prominent gainers, while Yanbu Cement (-10.7%), Kingdom Holding (-5.0%) and National Shipping (-4.6%) rounded up the laggards. Investors have been exhorted by the resilience in oil prices, coupled with key investment indicators from the Saudi Government.

Gains on key Bank names, and a rebound in Real Estate stocks helped the MSCI UAE Index to register a gain of 8.15% on closing. Dubai Islamic Bank (+29.3%), DP World (26.3%) and Union National Bank (14.4%) featured prominently amongst gainers, while Union Properties (-5.3%) and Gulf Cement (-2.0%) were the worst performing. In Oman, losses sustained by heavyweights like Omantel (-20.16%), Bank Sohar (-16.8%) and NBO (-9.4%) led the MSCI Oman Index to contract by 4.43% for the month.

During the month of March 2009, the GPF under-performed its benchmark with returns of 6.63%, compared to 9.98% on the MSCI GCC Index.