

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

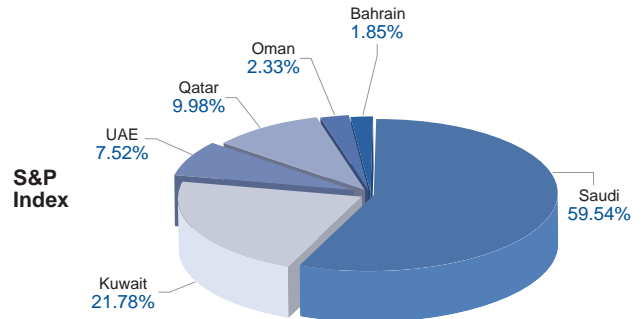
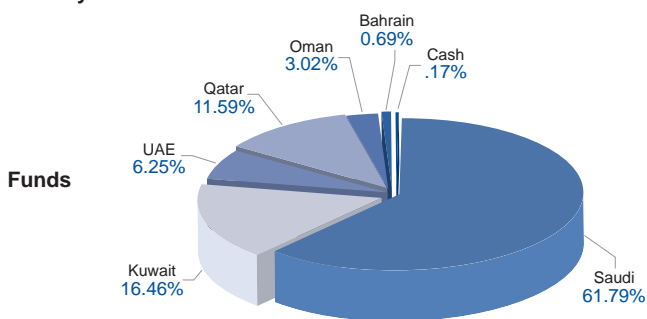
Launch Date	April 12th, 2003
Jurisdiction	Bahrain
Currency	U.S. Dollars
Subscription / Redemptions	Weekly at NAV
Minimum Subscription	US\$ 100,000
Investment Manager	Gulf Investment Corporation
Management Fees	1.5% per annum
Performance Fees	10% of returns above 10% per annum
Subscription Fees	2%

Portfolio Structure

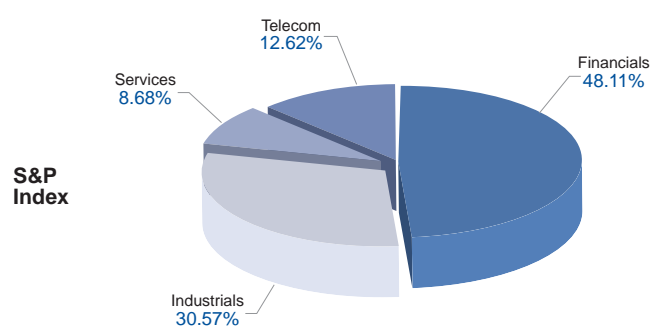
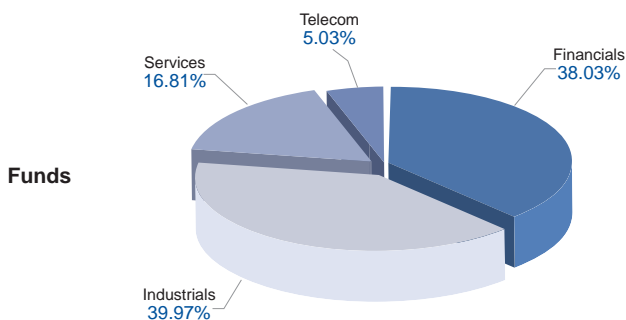
Fund Size : **\$90 MM**

Number of Holdings : **63**

Country Allocation as of 30th November 2010



Sector Allocation as of 30th November 2010

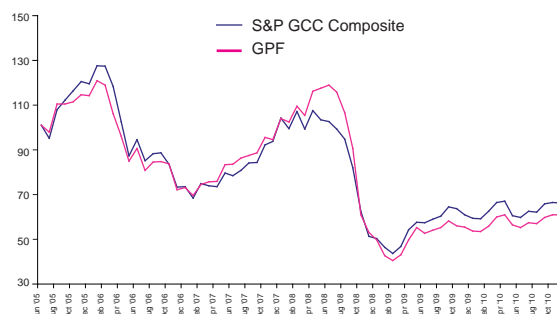


Top Holdings

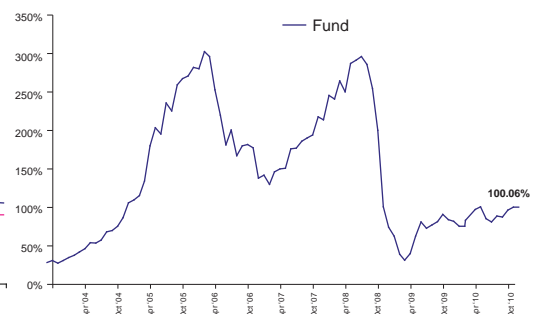
As of 30th November 2010

- 1) Saudi Basic Inds Corp. (SABIC)
- 2) Al Rajhi Bank
- 3) Almarai Co.
- 4) Zain (Formerly MTC)
- 5) Al Othaim - Abdulla

GPF vs S&P GCC Index



GPF since inception



Monthly Performance

Annualized rate of return : **9.94%**

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		14.30

Market Review

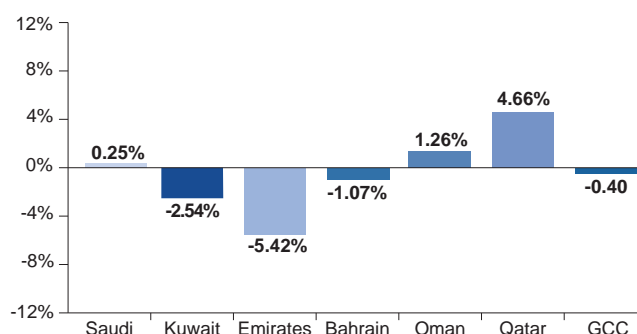
Market direction in the GCC region was mixed during November, with three out of the six S&P country indices registering net losses for the month. The S&P UAE index led the laggards that included Kuwait and Bahrain, while S&P Qatar index emerged at the fore of the list of gainers that included Oman and Saudi. The S&P GCC index shed a net -0.40% for the month, paring YTD gains to +11.84%.

Nevertheless, on a YTD comparison, the S&P GCC index has outpaced the MSCI EM and MSCI World indices, who have clocked returns of +8.73% and +2.15% respectively, by a substantial margin. Oil prices built on the sedate gains during October, with WTI Crude futures adding +2.39% for the month to close at \$84.10, while Natural Gas spot prices, as reflected by the Henry Hub index, added a robust +24.5% for the month, to close at \$4.17.

The S&P Qatar index added +4.66% for the month, to bolster its YTD gains to +23.28%, backed by fast-paced economic growth and strong earnings numbers for the last quarter. However, the primary driver for the month was Qatar's candidature to host the FIFA 2022 World Cup, and the boost that a successful bid could have on the infrastructure spend in the country over the next few years. The Industrial sector in Qatar, followed by the Banking sector, were the best-performing for the month.

With strong performance from key Banks in Oman, including Bank Muscat, the S&P Oman index added +1.26% for the month, stretching its YTD gain to +11.62%. In Saudi Arabia, the S&P Saudi index added +0.25%, with the PetChem sector remaining the primary driver, even as the Real Estate and Banking sectors faced some negative sentiment.

GIC Country Indices Performance



An overtly negative sentiment in the Real Estate sectors in Dubai and Abu Dhabi exerted drag on the S&P UAE index, pulling it down by -5.42% for the week, and extending YTD losses to 6.05%. Incidentally, the UAE benchmark remains the sole S&P country index amongst its GCC peers to sustain negative YTD returns thus far.

Losses in the Investment and Industrial sectors weighed down on the Kuwait S&P index, and caused the index to drop -2.54% for the month. However, on an YTD basis, the Kuwaiti benchmark remained the best-performing with returns of +28.89% for the year. The S&P Bahrain index shed -1.07%, trimming its YTD gains to +10.06%.

During the month of November 2010, the Gulf Premier Fund over-performed its benchmark with returns of +0.11%, compared to -0.40% on the S&P GCC Index.



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