

NAV: 742

Fund Size: USD 77.31 mn

Investment Objective & Strategy

- The objective of the Fund is primarily to achieve medium to long-term capital appreciation through investing primarily in listed securities issued in the GCC countries in accordance with the Sharia'a Investment Guidelines.
- The Fund may also invest in shares on non-listed Sharia'a compliant companies up to 10% of its Net Asset Value

Management Comment

- The April 2009 NAV of the al Basha'er fund was 742, an increase of 4.40% on the previous month.
- Al Basha'er is down 1.85% year to date - underperforming the benchmark - which has gained 2.04% year to date.

Performance as of 30/04/09

	Al Basha'er	Benchmark
1 Month	4.40%	15.54%
YTD	-1.85%	2.04%
Since Inception	-25.75%	-62.68%

Portfolio Analysis

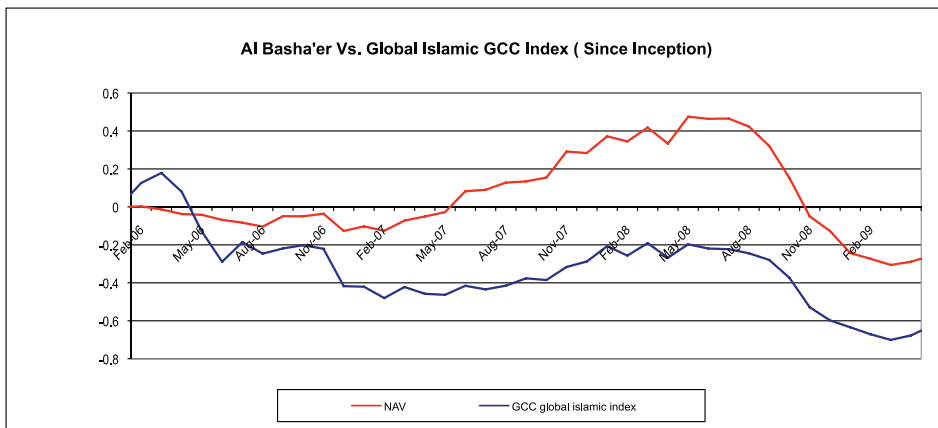
Avg PE	11.68
Avg Yield	3.48%
Avg Mkt Cap	\$ 11.01 BL
Avg Traded Value	23.37



Awards: Lipper Fund Awards

Al Basha'er GCC Equity Fund won the 'Lipper Fund Award' in 2008 by topping the following category: Sharia'a compliant GCC Equity Fund

Cumulative performance



Fund Managers

Kuwait Finance & Investment Co.
Gulf Finance House

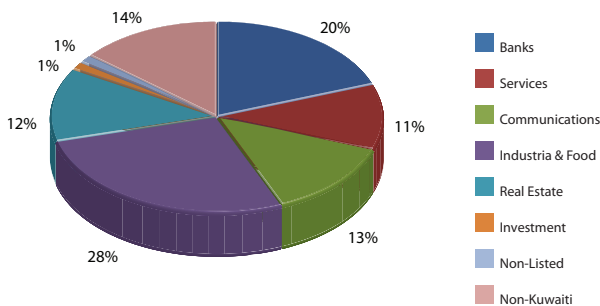
Benchmark

Global GCC Islamic Index

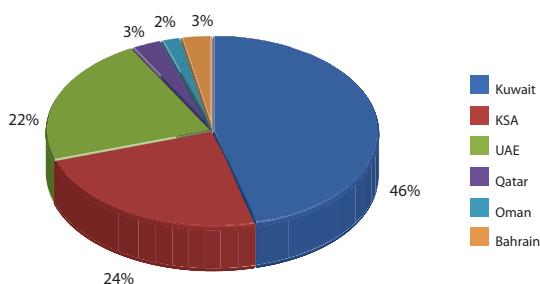
No. of Holdings

28

Sector Breakdown



Geographic Breakdown



Fund Details

Fund Sponsors:	KFIC, GFH & QIB
Placement Agents:	KFIC, GFH, QIB, Gulf Bank
Inception Price:	USD 10
Inception Date:	Dec 19th 2005
Jurisdiction:	Bahrain
Currency:	USD
Subscription /Redemption:	Monthly
Min Subscription:	USD 10,000
Custodian:	Gulf Clearing Company
Legal Advisor:	Haya Rashed Al-Khalifa Law Firm
Auditors:	Ernst & Young, Bahrain
Management Fee:	2.25% per annum
Performance Fee:	10% of the profits above hurdle rate
Subscription Fee:	Up to 3% of the subscription amount

Portfolio's main holdings

Company	Country	Sector
Saudi Basic Industries Co.	Saudi	Industrial
Etisalat	UAE	Communication
Bayan Holding Co.	Kuwait	Real Estate
Kuwait Finance House	Kuwait	Banking
Al Dar Properties	UAE	Real Estate

GCC Market Review

GCC Markets had a very good month as all markets ended in positive territory. The top gainer was the KSA market increasing by 19.60%. This was followed by the Doha stock market which rose 14.66%. Kuwait and Muscat markets escalated by 12.03% and 10.81% respectively. Meanwhile UAE markets Dubai and Abu Dhabi each gained around 2%, leaving the Bahrain market as the laggard with an increase of only around 0.01%.

Kuwait

- Kuwait Finance House plans to open an investment bank with a capital of \$133.32 mn in Saudi Arabia.
- The Central Bank of Kuwait has submitted a note to the country's Ministry of Commerce and Industry about serious irregularities committed by representatives of Investment Dar Co.
- Global Investment House paid back 75% of sums it cut from the salaries of its employees, except top managers.
- Lebanese businessman Baha'eddine Hariri has acquired about 5% of Kuwait Projects Co. (Kipco).
- Kuwait Investment Authority injected so far about KD 400 mn in the national fund that is managed by its unit Kuwait Investment Co.

UAE

- The Securities and Commodities Authority in UAE has issued a notification to all brokerage companies in the country banning them from getting incomplete sale/purchase orders signed by their clients.
- Deyaar Development Co. would set up a AED 500 mn fund to buy back distressed property that it has sold to investors, who can no longer pay for their purchases.
- Kuwait's Al Safat Investment Co. said its 10%-stake in UAE's Al Qudra Holding is strategic and it's working hard to increase it.

KSA

- Saudi Cement Co. has begun commercial operations of two new production lines to meet continued demand growth for cement.
- Saudi Arabia's National Water Co. has signed memorandum of understanding and of partnership with the French water and waste management firm Veolia and with Arabian Company for Water and Power Development to set up a company for the transport, and marketing of treated sewage water in Riyadh.
- The initial public offering of Saudi Arabia's Al Rajhi Company for Cooperative Insurance was more than seven times covered a day before it closes.

Qatar

- The board directors of Qatar Fuel (Woqod) and Qatar Technical Inspection Co. are in serious merger talks.
- Vodafone Qatar closed its 40% initial public offering in Qatar with a growing response seen in its last days despite a weak interest during the IPO's early days.
- Qatar Islamic Bank has launched a global sukuk fund through a platform set up through its London-based affiliate European Finance House.

Market Digest

Country	Percentage Change			P/E	P/B	Market Cap (USD billion)	Average Daily Traded Value (USD mn)
	2008 (%)	Current Month (%)	YTD (%)				
KSA - Tadawul	-57.02	19.60	17.51	13.46	2.01	302.07	1,703.09
Kuwait - KSE	-38.03	12.03	-2.90	11.04	1.4	96.77	501.03
Abu Dhabi - ADSM	-47.83	1.55	1.17	7.36	1.19	66.68	83.55
Dubai - DFM	-72.42	2.36	-1.88	7.68	0.89	34.78	168.16
Qatar - DSM	-28.12	14.66	-18.63	9.92	2.07	73.98	563.69
Bahrain - Share Index	-34.52	0.01	-11.53	8.28	1.25	18.51	0.25
Oman - MSM	-39.78	10.81	-5.74	9.48	1.71	14.83	27.05



Confidentiality:

This Performance Report has been prepared by Al Basha'er Fund Managers for information purposes only and is issued to investors in Al Basha'er GCC Equity Fund strictly on a confidential basis. All opinions and estimates expressed in this report constitute our present judgment and are subject to change without notice. Investors and any other persons who receive this Performance Report agree that they will hold the contents of the Performance Report in the strictest confidence and that they will not utilize such information to the detriment of Al Basha'er GCC Equity Fund. This document may not be reproduced, redistributed, and quoted, in whole or in part, without the prior written consent of Al Basha'er GCC Equity Fund.

Disclaimer

Mutual Funds are not deposits in, or obligations of, and are not guaranteed by any financial institutions. Mutual funds are subject to investment risk. The investment return and principal value of an investment in a mutual fund will fluctuate, and an investor's shares when redeemed may be worth more or less than their original cost. Past performance does not guarantee future results. No representation, expressed or implied, is made as to the fairness, accuracy, completeness or correctness of the information and opinions contained in this report.

Gulf Finance House b.s.c. - Investment Bank
P.O.Box 10006, Manama, Kingdom of Bahrain
Tel. +973 17 538 538 , Fax. +973 17 540 006
E-mail. info@gfhouse.com
Website. www.gfhouse.com

KFIC
P.O.Box 21521, Safat 13037
Tel. +965 889000 , Fax. +965 2420174
E-mail. kfic@kfic-kw.com
Website. www.kfic-kw.com