

July 07 NAV: \$11.27

AlBasha'er GCC Equity Fund - Sharia'a Compliant

Fund Performance:

	Current Month end	YTD	2006	Since inception
Fund	3.40%	25.64%	-10.30%	12.70%
Index (GCC Islamic Universe)	2.93%	6.35%	-43.70%	-34.05%



Lipper ranking : 1

Investment Objectives:

Capital appreciation primarily through investment in Sharia'a Compliant GCC listed equities. The Fund may also invest in non GCC Arab equities to a maximum of 10% and in non listed equities to a maximum of 10%.

Investment Strategy:

Active management with focus on stock selection and not indexing
Concentrated positions with adequate diversification.

Fund Sponsors:

Kuwait Finance & Investment Company, Gulf Finance House and Qatar Islamic Bank

Placement Agents:

Kuwait Finance & Investment Company, Gulf Finance House, Qatar Islamic Bank, Gulf Bank, Gulf Finance House - Commercial Bank & Abu Dhabi Commercial Bank

Investment Managers:

Kuwait Finance & Investment Company & Gulf Finance House

Fund Information:

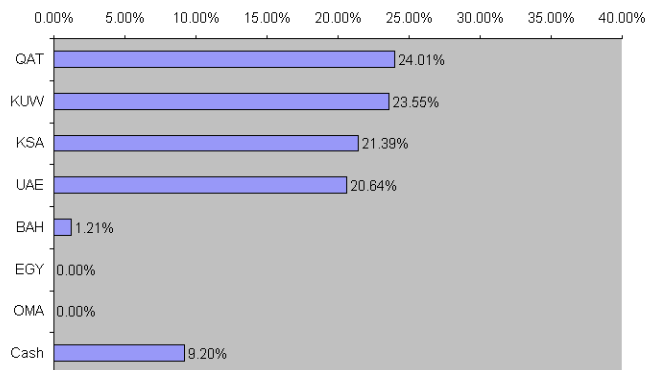
Inception price: USD 10
Inception date: December 19th, 2005
Jurisdiction: Bahrain
Currency: U. S. Dollars
Subscription/Redemption: Monthly
Minimum subscription: USD 10,000
Custodian, Administrator & Registrar: Gulf Clearing Co. (Bahrain)
Legal Advisor: Haya Rashed Al-Khalifa Law Firm, Bahrain
Auditors: Ernst & Young, Bahrain
Management Fee: 2.25% per annum
Performance Fee: 10% of the profits above 10% hurdle rate per annum
Subscription Fee: Up to 3% of the subscription amount

Fund size : USD 287.62 Million
% Cash : 9.20
% Non-listed equities : 6.8
No. of holdings : 24

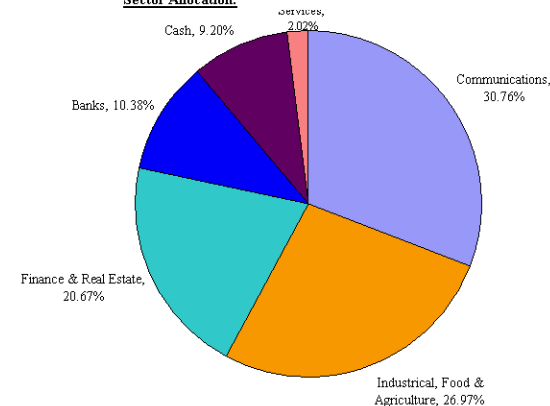
Portfolio Analysis

Avg. P/E : 13.64
Avg. Dividend Yield : 3.21%
Avg. M/Cap per stock : 16.51
Avg. Daily Liquidity per Stock : \$ 36.95 Million

Country Allocation:



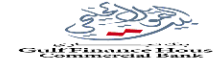
Sector Allocation:



Country	Performance			Valuation			Size	
	2006 (%)	Current month (%)	YTD (%)	P/E	P/B	MarketCap (\$B)	Avg. D. liquidity (\$ MM)	
KSA - Tadawul	-53.0	8.10	-5.03	16.39	2.95	342	1,875	
Kuwait - KSE	-12.0	3.45	24.60	15.13	3.08	200	570	
Abu Dhabi - ADASM	-42.0	-1.81	16.03	14.30	2.51	94	141	
Dubai - DFM	-44.0	-3.07	3.54	13.53	2.46	96	158	
Qatar - DSM	-36.0	3.66	6.80	16.03	3.34	69	76	
Bahrain - Share Index	1.1	6.67	15.90	11.71	2.03	25	4	
Oman - MSM	14.3	1.38	15.14	13.28	2.58	15	14	
SC GCC	-42.5	3.93	10.00	12.30	2.75	340	405	
GCC Islamic Universe	-43.7	2.93	6.35	16.00	2.70	297	510	

GCC Market Review / July

Fund Performance and Activity:



Market volatility can significantly affect short-term performance, and current performance may be lower or higher than the performance data quoted. The performance data quoted represents past performance, which is no guarantee of future results. Investment and principal value will fluctuate. Past performance does not guarantee future results. This Investment is not a bank product and is not guaranteed. It is subject to investment risk that includes the possible loss of principal. Please refer to detailed terms and conditions in the prospectus.