

NAV: 8.23

Fund Size: USD 85.55 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 NAV of the Al Basha'er fund closed at 8.23, an increase of 5.16% on the previous month.
- Year to date, Al Basha'er is up 8.95% underperforming the benchmark which is up 14.96%.

## Performance as of 30/09/09

	Al Basha'er	Benchmark
1 Month	5.16%	8.30%
YTD	8.95%	14.96%
Since Inception	-17.74%	-57.95%

## Portfolio Analysis

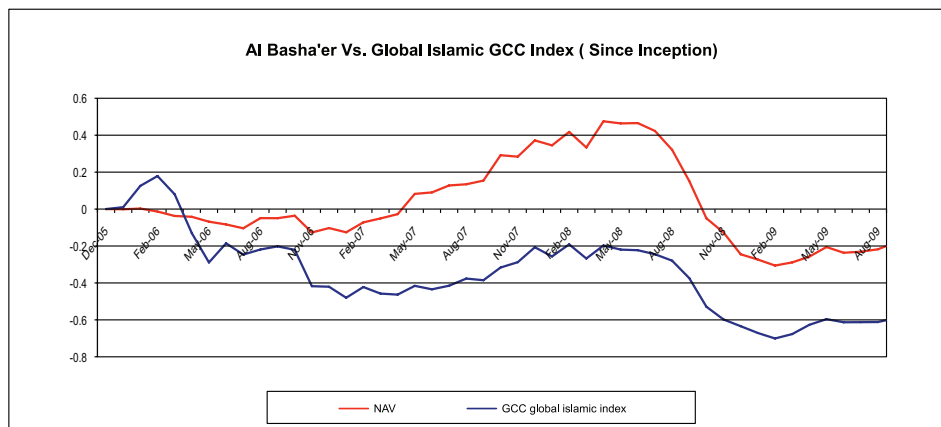
Avg PE	15.96
Avg Yield	3.09%
Avg Mkt Cap	\$ 11.04BL
Avg Traded Value	32.50MN



### Awards: Lipper Fund Awards

Al Basha'er GCC Equity Fund won the 'Lipper Fund Award' in 2006 & 2008 by topping the following category: Sharia'a compliant GCC Equity Fund

## Cumulative performance



### Fund Managers

Kuwait Finance & Investment Co.  
Gulf Finance House

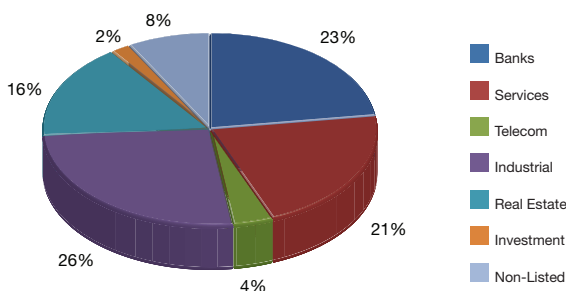
### Benchmark

Global GCC Islamic Index

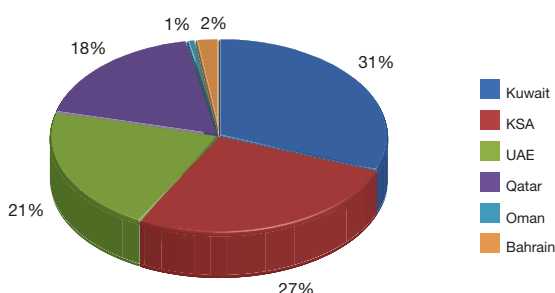
### No. of Holdings

44

## Sector Breakdown



## Geographic Breakdown



## Fund Details

Fund Sponsors:	KFIC, GFH & QIB
Placement Agents:	KFIC, KHCB, QIB, Gulf Bank, ADCB
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
Bayan Holding Co.	Kuwait	Real Estate
QGTS	Qatar	Industrial
SABIC	KSA	Industrial
QIBK	Qatar	Banking
Hits Telecom	Kuwait	Services

## GCC Market Review

The Kuwait stock exchange was the only market in the GCC to witness a decline in September as it closed the month 1.23% below the previous month. Dubai was the biggest gainer as it increased 14.46%, followed by KSA with an 11.68% gain. The Abu Dhabi Market grew 7.84%. Qatar and Bahrain Markets went up 4.17% and 2.47% respectively, leaving Oman Market with almost 3.60% increase.

### Kuwait

- Shares of Bank of Bahrain and Kuwait will be suspended from trading on the Kuwait Stock Exchange on Oct. 19.
- Agility won a multi-million-dollar contract to provide logistics services to RasGas Co. Ltd., one of two Qatari liquefied natural gas producers.
- Leading investors in Kuwait's Zain telecom signed an agreement with a Malaysian-Indian consortium for the sale of a 46% stake in Zain.
- Kuwait Finance House said its Turkish unit has obtained a license to operate in Germany and will open a branch in Mannheim for Islamic financial services.
- Kuwait Finance House had signed an agreement to reschedule KD132 mn worth of Aref Investment Group's debt.

### UAE

- The Arabtec Holding is willing to conclude several contracts by the end of the year and the deal to build Europe's tallest tower will go ahead.
- National Bank of Abu Dhabi recent \$850 mn bond issue will be used for general project funding in the U.A.E., for activities that fall under the government's economic development plan.
- Aldar Properties unit Al Raha Gardens Property has set up a joint venture catering company with the emirate's National Catering Co.
- Dana Gas and Crescent Petroleum had reached an agreement with Yemen's government to investigate bringing their Gas City concept to the country.

### KSA

- Egypt plans to sell its Development and Agricultural Credit Bank to Saudi's Rajhi Investment Group.
- Sipchem expects its acetyl complex in Jubail to be fully operational before the end of 2009.
- Emaar the Economic City canceled a \$373 mn contract with the contractor Saudi Binladin Group.
- Saudi Telecom Co., which owns 25% of Malaysia's Binariang GSM Holding, said the Malaysian holding company is studying selling 30% of the shares of its Maxis Communications Bhd. unit on Malaysia's bourse due to attractive market conditions.

### Qatar

- The France's Vinci SA will acquire electric engineering company Cegelec from a Qatari investment company in an all-share EUR1.18 bn deal designed to create a major European player in the energy services sector.
- Barwa New Cairo, an Egyptian unit of Barwa Real Estate Co. will start work on the first phase of its \$9 bn residential project to the east of Cairo at the beginning of the second quarter of 2010.
- Diar Real Estate Investment Co. said that investments in its projects total more than \$60 bn and that its Lusail rail project is on track and is expected to be completed in 2011.

## 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	11.68	31.63	16.52	2.13	328.10	899.81
Kuwait - KSE	-38.03	-1.23	0.45	16.13	1.61	113.62	290.06
Abu Dhabi - ADASM	-47.83	7.84	30.72	9.85	1.35	81.33	98.16
Dubai - DFM	-72.42	14.46	33.90	13.28	1.11	44.78	250.05
Qatar - DSM	-28.12	4.17	7.67	12.25	2.31	91.97	444.95
Bahrain - Share Index	-34.52	2.47	-13.83	8.66	1.18	17.92	3.53
Oman - MSM	-39.78	3.58	20.79	11.91	1.91	18.04	41.12



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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@gfh.com  
Website. www.gfh.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