

NAV: 7.39

Fund Size: USD 70.22 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 \$7.39, a decline of 0.43% compared to the previous month.
- Year to date, Al Basha'er is up 2.37% overperforming the benchmark which is up 1.57%.

Performance as of 30/11/2010

	Al Basha'er	Benchmark
1 Month	-0.43%	-0.27%
YTD	2.37%	1.57%
Since Inception	-26.13%	-61.62%

Portfolio Analysis

Avg PE	13.27
Avg Yield	3.07%
Avg Mkt Cap	\$16.36 BL
Avg Traded Value	\$20.36MN

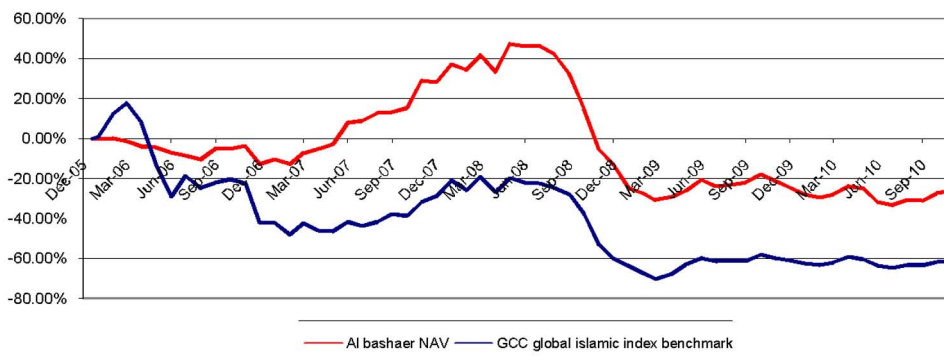


Awards: Lipper Fund Awards

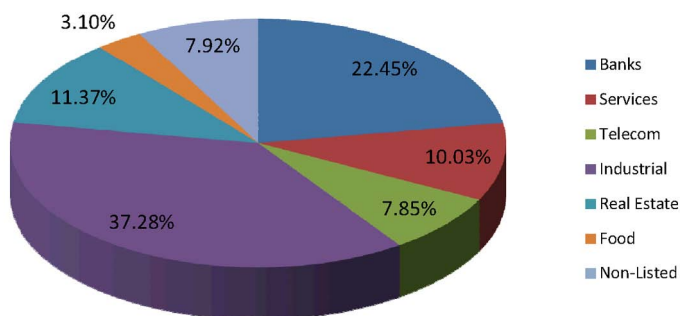
Al Basha'er GCC Equity Fund won the 'Lipper Fund Award' in 2006, 2008 & 2009 by topping the following category: Sharia'a compliant GCC Equity Fund

Cumulative performance

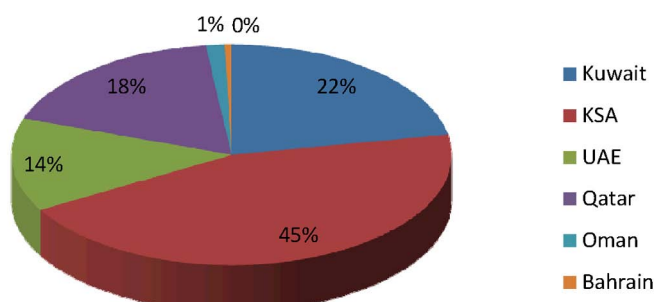
Al Basha'er Vs. Global Islamic GCC Index (Since Inception)



Sector Breakdown



Geographic Breakdown



Fund Managers
Kuwait Finance & Investment Co.
Gulf Finance House

Benchmark
Global GCC Islamic Index

No. of Holdings
42

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
Al- Rajhi Bank	KSA	Banking
SABIC	KSA	Industrial
IQCD	Qatar	Industrial
Bayan Holding Co	Kuwait	Investment
QIBK	Qatar	Banking

GCC Market Review

Al Bashaer Fund's NAV lost around 0.43% on a MoM basis to reach USD 7.39 following the decline of nearly all GCC Markets Indexes in November except Qatar and Oman that gained by 4.44% and 0.59% respectively. The UAE markets were the top losers of this month with Dubai declining 5.42% closing at 2,816.11 points and Abu Dhabi achieving 3.06% loss setting at 1,668.82 points.

Markets were affected negatively by the anticipated acquisition of 46% of the shares of Zain by Etisalat and the news about disapproval by the owners. Kuwaiti Market was also influenced by the awaiting news related to the development plan, funding mechanism and the role that the banking sector will play in the development plan.

Kuwait

- KFH declared that the investment in the \$123 mn waste treatment project won in China will be through a fund managed by a subsidiary of its fully-owned unit Kuwait Finance House Malaysia Berhad.
- Zain agreed to open its books for due diligence to UAE operator Etisalat which has offered to buy a controlling stake in the firm worth around \$12 bn. A shareholder in Zain, Al- Fawares Holding Co. had agreed to enter the deal by selling 100 mn shares
- GFH shareholders approved the issue of convertible murabaha of up to \$500 mn, a four-for-one share consolidation and the acquisition of another 10% of Khaleeji Commercial Bank.

UAE

- ADIB \$750 mn Sukuk issue was oversubscribed by approximately 4.8 times.
- Al- Dar Properties posted losses at \$199 mn for the nine months ended Sept. 30 and said it was in talks with the government on its cash requirements.
- Etisalat is ironing out final details of up to \$12 billion of financing to back its acquisition of a 46% stake of Kuwait's Zain.
- Emaar Holders approved the issuance of \$500 mn convertible notes to pay \$1.4 bn short-term debt and authorized a capital increase if needed in the future.

KSA

- SIPCHEM shareholders agreed to amend the firm's corporate law to allow the sale of debt instruments such as bonds and sukuk.
- SABIC signed a construction contract with El Seif Engineering Contracting Company to build a new SABIC Plastics Application Development Center in Riyadh.
- Saudi Arabian Mining and Alcoa announced plans for the Middle East's first fully integrated aluminum smelter and food grade can sheet rolling mill in the Kingdom.
- Etihad Etisalat has awarded deals worth \$213.1 mn to expand its local mobile broadband network and upgrade its third generation 3.5G grids in a number of Saudi regions to the advanced high-speed 3.75G technology.

Qatar

- Fitch Ratings has affirmed QIB's rating as Long-term Issuer Default 'A' with Stable Outlook.
- Barwa marked the completion of its Masaken Al Saliya and Mesaimeer project that aims to provide affordable housing units to limited income groups.
- Qatar Exchange has completed a two-day forum in London that aimed to support further development and practice of Qatar Exchange's listed companies' investor relations.
- Qatar inaugurated the first phase of a \$2.8 bn ship repair yard in partnership with Singapore's Keppel Offshore and Marine , the shipyard is a joint venture in which Qatar Gas Transport Co owns 80% and Keppel the other 20%.

Market Digest

Country	Percentage Change			P/E	P/B	Market Cap (USD billion)	Average Daily Traded Value (USD mn)
	2009 (%)	Current Month (%)	YTD (%)				
KSA - Tadawul	28.04	-0.56	2.74	15.06	2.00	342.55	740.90
Kuwait - KSE	-9.99	-2.45	-1.63	19.06	1.61	123.81	155.65
Abu Dhabi - ADSEM	14.79	-3.06	-0.50	9.95	1.16	78.71	44.37
Dubai - DFM	10.22	-5.42	-7.47	11.84	0.85	54.35	52.28
Qatar - DSM	1.06	4.44	17.00	12.22	2.27	123.62	479.62
Bahrain - Share Index	-19.17	-1.67	-1.39	11.60	1.13	24.04	1.05
Oman - MSM	17.05	0.59	3.50	12.16	1.79	19.78	18.36



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