



The First Mazoon Fund

The First Mazoon Fund JIA

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August 2013
195th Month

Objectives

The primary objective of the fund is to achieve capital appreciation through a diversified portfolio of equity and Bond investments in public companies listed at GCC Markets and Mena region.

Fund Details

Manager	Gulf Baader Capital Markets SAOC
Custodian	Gulf Custody Company
Launch Date	June 10, 1997
Auditors	Moorestephens
Type	Open-ended
Subscription/redemption	Daily
Valuation date	Daily
Entry Fee	Upto 2%
Management fee	1.4% per annum
Performance fee	10%
Hurdle rate	10%
Redemption Fee	1% < 1 year
NAV/Unit	RO 1.141

Your Gateway to GCC Markets

Performance	FMF	S&P GCC Comp
MTD	-2.03%	-1.62%
YTD	20.77%	13.44%
1 year	20.49%	11.79%
3 year	28.58%	19.78%
5 year	-2.62%	-28.14%
Since inception	257.23%	na

Percentage Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
1997									21.0%	3.1%	1.2%	3.8%	22.9%
1998	3.1%	-5.3%	-18.1%	-4.2%	-8.6%	-10.2%	-8.6%	-17.2%	4.4%	-4.2%	-4.9%	-16.1%	-54.6%
1999	16.7%	-10.2%	-8.5%	13.6%	-4.4%	8.8%	16.2%	-1.6%	-2.5%	-4.7%	-3.6%	-5.1%	7.9%
2000	2.3%	-2.6%	4.6%	-1.6%	-2.8%	-5.6%	-1.6%	-3.2%	0.9%	-3.9%	10.1%	-2.4%	-5.3%
2001	-2.9%	2.1%	3.8%	0.0%	-0.7%	0.7%	1.5%	-0.2%	-3.2%	-1.3%	-1.6%	1.8%	-0.2%
2002	5.6%	-0.2%	6.6%	6.0%	5.8%	2.3%	-0.5%	-2.3%	-1.8%	0.5%	2.2%	2.1%	22.8%
2003	-0.7%	-0.3%	4.6%	7.0%	0.6%	3.7%	7.0%	0.8%	-0.1%	-0.1%	1.9%	1.6%	23.9%
2004	5.2%	1.9%	0.0%	7.3%	8.6%	6.7%	0.1%	-1.1%	3.2%	0.7%	-1.4%	2.2%	32.8%
2005	6.7%	1.7%	15.7%	9.6%	2.9%	8.8%	-0.7%	-1.1%	-2.4%	-2.42	-2.78	1.87%	42.1%
2006	10.3%	-5.7%	3.76%	-2.12%	-6.34%	0.27%	-2.27%	7.64%	6.40%	4.05%	-6.02%	2.0%	11%
2007	2.93%	-0.32%	1.44%	3.34%	3.23%	2.33%	2.27%	2.61%	3.89%	8.91%	6.48%	9.12%	57.6%
2008	-0.28%	9.41%	0.73%	8.8%	2.18%	-0.11%	-4.6%	-8.12%	-10.25%	-20.91%	-3.18%	-10.8%	-33.9%
2009	-6.16%	-2.22%	2.73%	9.63%	6.77%	0.38%	3.77%	6.27%	4.36%	-1.15%	-0.83%	-2.26%	22.09%
2010	0.15%	3.00%	5.43%	1.79%	-10.37%	-1.76%	3.44%	-0.44%	5.25%	2.30%	0.43%	4.91%	13.91%
2011	-2.58%	-8.61%	6.06%	4.34%	-3.30%	-1.60%	-1.66%	-4.32%	-0.03%	2.19%	-2.53%	3.22%	-9.33%
2012	0.54%	8.37%	3.33%	-1.42%	-6.43%	-3.54%	0.76%	3.13%	-0.99%	0.36%	-2.37%	2.84%	3.86%
2013	5.47%	-0.39%	2.42%	3.87%	4.99%	-1.48%	6.63%	-2.03%					20.77%

Market Review and Outlook

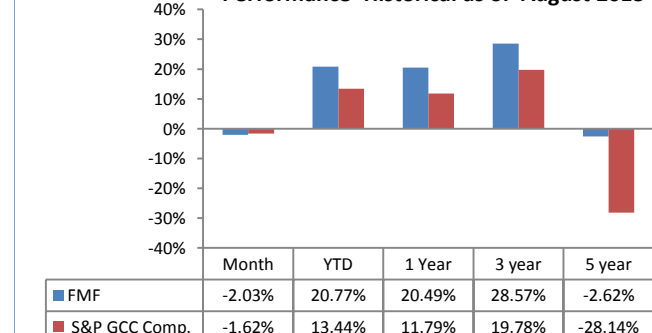
After the strong performance posted by the GCC indices during July, the month of August saw a correction brought about by the rising geopolitical tensions in Syria. All the indices except Oman saw its market falter during the period under review. The largest fall was in Abu Dhabi and Dubai markets at 2.9% and 2.5% respectively while Kuwait dropped by 2.3%. Fundamentally well placed markets like Saudi and Qatar also dropped by 1.9% and 0.9% respectively, with Oman being the sole exception with a 0.73% gain

Outlook for September 2013 – The immediate direction for the markets are likely to depend on the cues surrounding the Syrian crisis. Further, the Fed meeting on its money policy is expected to take place during the middle of this month. With a possibility of monetary curtailment in view of improved US economic parameters over the past few months and the likely spillover of reducing oil prices, GCC market could further correct in the coming weeks. However, with the underlying fundamentals within GCC still showing signs of strength, we expect that every correction could be considered as an opportunity to enter the market. We would accordingly adopt stock selective strategy to enable our long term sustainable performance..

Dividend

Financial Year ended	Cash	Stock
2010	5%	5%
2009	5%	15%
2007	10%	15%
2006	5%	5%

Performance- Historical as of August 2013



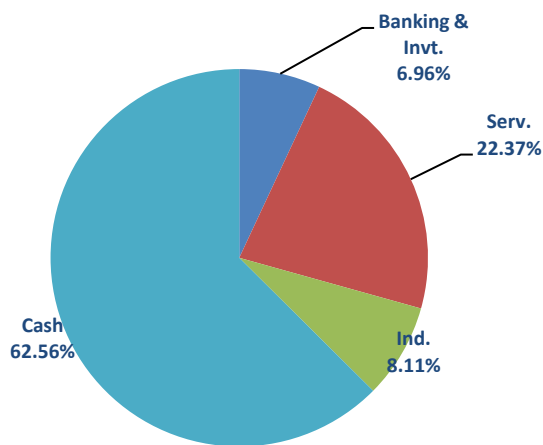
Fund Review for the 195th Month

The NAV was RO 1.141 as at the end of August '13 and decreased by about 2.03% for the month as against the S&P GCC Composite Index which decreased by 1.62%, while MSM Index increased by 0.73% during the same period. The average NAV per unit during the month was **RO 1.187**.

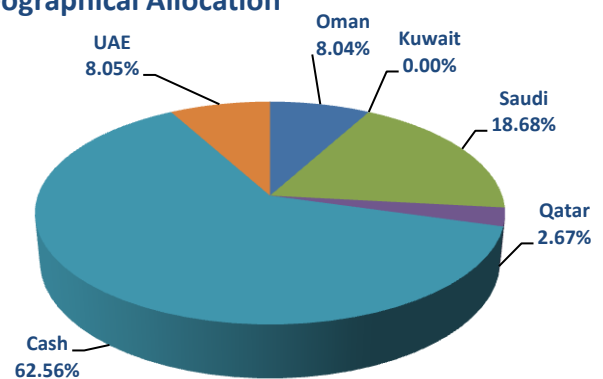
Particulars	FMF	S&P GCC Comp.
Average Monthly Return	0.10%	-0.35%
Monthly Maximum loss	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08
Annualized Return	-0.53%	-6.4%
Annualized Volatility	18.2%	21.6%
% of winning months (against benchmark)	60.0%	na
% of gained months	53.3%	49.2%
YTD	20.77%	13.44%
Beta	0.77	Na
Sharpe (RF 4.5%)	(0.28)	(0.50)
Information ratio	0.32	na
Alpha	3.4%	na

TOP 5 Holdings	%
Al Rajhi	4.28
Ethihad Etisalat	3.76
Rak Ceramics	3.75
Bank Muscat	2.68
Saudi Telecom	2.68

Asset Allocations: Sectoral Allocation

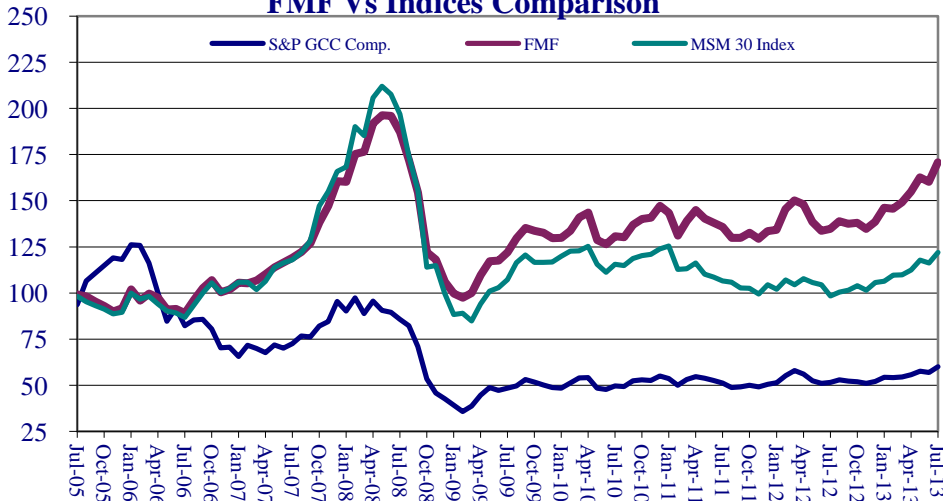


Geographical Allocation



Performance

FMF Vs Indices Comparison



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Investment Manager



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