



The First Mazoon Fund

The First Mazoon Fund JIA

P O Box 974, Ruwi, Postal Code 112, Oman – Tel: +968 24790614 Fax: +968 24790 612

August 2012
183rd 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	HSBC Bank Middle East, Oman
Launch Date	June 10, 1997
Auditors	Horwath Mak Ghazali LLC
Current Size	RO 4.2 million
Units outstanding	4,431,557
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 0.947

Your Gateway to GCC Markets

Performance

	FMF	S&P GCC Comp.	MSM 30 Index
MTD	3.13%	2.71%	2.27%
YTD	4.10%	4.71%	-3.78%
1 Year	6.99%	8.38%	-4.98%
3 year	7.13%	6.66%	-13.63%
5 year	13.62%	-31.02%	-17.60%
Since inception	196.48%	na	45.21%

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%					4.10%

Market Review and Outlook

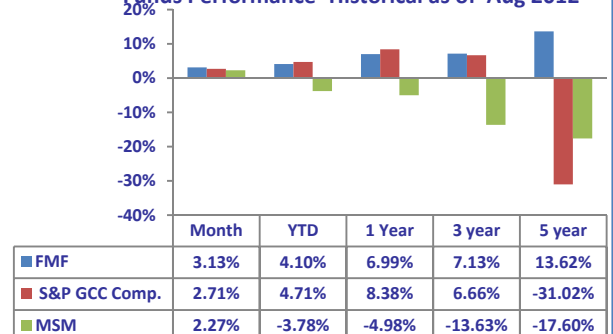
Most GCC markets with the exception of Bahrain, closed in the positive zone for August 2012. The Saudi Arabian market rose the sharpest by 3.8%, with Kuwait and Oman following suit with 2.5% and 2.3% respectively. Bahrain registered a negative 1.2% owing to the fragile political situation there. While hopes that the US Federal Reserve (Fed) will unveil its own drive to pump cash into the economy kept the markets on hold, another batch of poor trade figures from China increased the likelihood that Beijing will also intervene in its monetary system to kick start growth.

Outlook for September 2012: In its annual economic policy symposium at Jackson Hole, the Fed chief indicated that the American Central Bank is not averse to providing further policy stimulus to help overcome the stagnant employment situation in the economy. While this could be termed as a positive for developed/emerging market equities and other asset classes, only gold was seen gaining some value after this event. Oil prices are steady with less volatility and this should help the regional markets in maintaining their moderate momentum. Rising private sector real investments in the GCC should further help boost the positive market sentiment prevailing.

Dividend

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

Funds Performance- Historical as of Aug 2012



Fund Review for the 183rd Month

The NAV was RO 0.947 as at the end of Aug '12 increased by about 3.13% for the month as against the S&P GCC Composite Index gain of 2.71% and MSM30 Index gain of 2.27%. The average NAV per unit during the month was RO 0.938. There was no subscription, but there was a redemption of 1,188 units for the month. The total number of units now stands at 4,431,557. The net asset value stands higher at RO 4.2 million.

TOP 5 Holdings

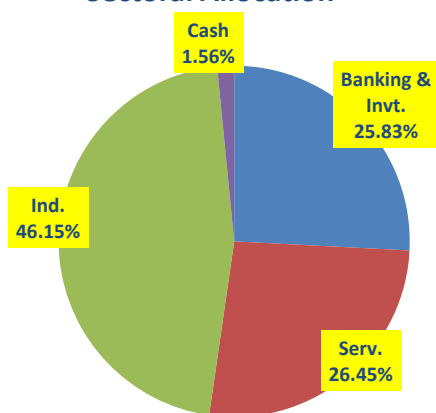
TOP 5 Holdings	%
Saudi Basic Ind. corp	7.82
Industries Qatar	4.64
Qatar National Bank	4.60
Al Rajhi	4.48
Etihad Etisalat	4.25

Past Five years

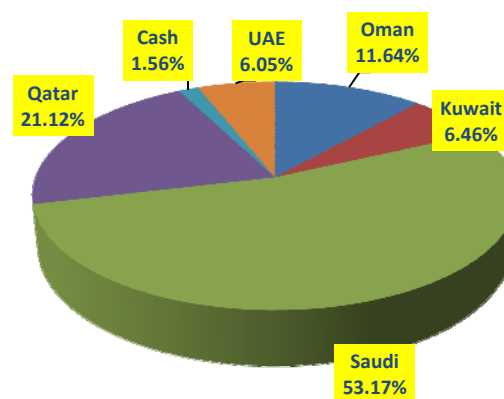
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.38%	-0.09%	0.38%	-0.38%
Monthly Maximum loss	-20.9%	-26.9%	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	2.6%	-3.8%	2.6%	-7.2%
Annualized Volatility	19.9%	23.2%	19.9%	23.6%
% of winning months (against benchmark)	55.9%	na	61.0%	na
% of gained months	55.9%	57.6%	55.9%	47.5%
YTD	4.10%	-3.78%	4.10%	4.70%
Beta	0.75	na	0.74	na
Sharpe (RF 4.5%)	(0.10)	(0.36)	(0.10)	(0.49)
Information ratio	0.32	na	0.49	na
Alpha	4.3%	na	6.7%	na

Asset Allocations:

Sectoral Allocation

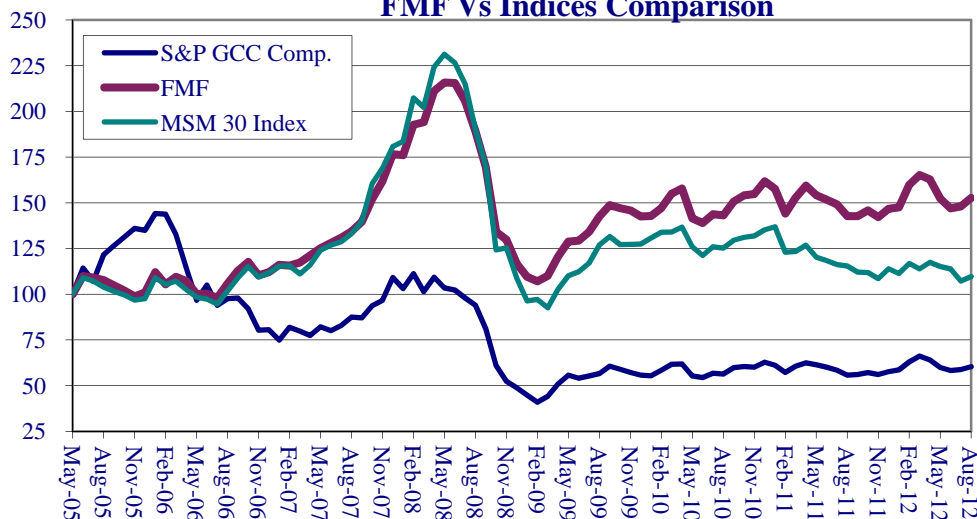


Geographical Allocation



Performance

FMF Vs Indices Comparison



Contact Details:

Mr. Sankar Kailasam
SVP- Asset Management
Tel: +968 24790 614 Ext – 526
Gsm: +968 99887207
Email: sankar@gbcmoman.net

Mr. Raghavendran J.G
Manager–Fund Administration
Tel: +968 24790 614 Ext – 528
Gsm: +968 99898150
Email: raghu@gbcmoman.net

Disclaimer: This document has been prepared and issued for informational and illustration purpose only on the basis of publicly available information, internally developed data and other sources believed to be reliable. While all care has been taken to ensure that the facts stated are accurate and the opinions given are reasonable, neither Gulf Baader Capital Markets S.A.O.C nor any employee shall be in anyway responsible for the contents of this report. Past performance of the Fund as illustrated herein is not a guarantee of future returns. This is not an offer to buy or sell the investments referred therein.

Investment Manager



الخليجية بادر لأسواق المال ش.م.ع.م.
GULF BAADER CAPITAL MARKETS S.A.O.C.

P.O.Box 974, Postal Code 112, Oman – Tel: +968 24790614 Fax: +968 24790612

E-mail: invest@fmfoman.net