



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

December 2012

18th 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	Horwath Mak Ghazali LLC
Current Size	RO 4.15 million
Units outstanding	4,389,424
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 0.945

Your Gateway to GCC Markets

Performance

	FMF	S&P GCC Comp.	MSM 30 Index
MTD	2.84%	2.20%	4.10%
YTD	3.86%	3.18%	1.15%
1 Year	3.86%	3.18%	1.15%
3 year	6.91%	6.85%	-9.55%
5 year	-13.72%	-45.47%	-36.24%
Since Inception	195.80%	na	52.65%

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%

Market Review and Outlook

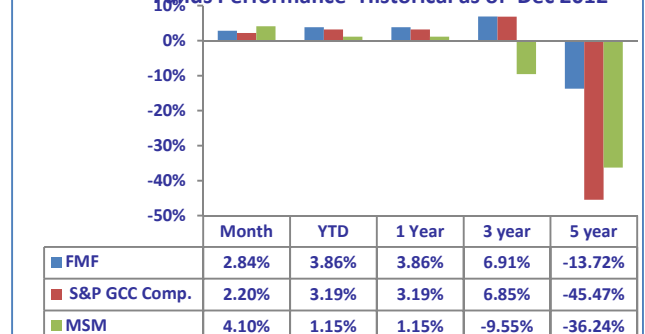
GCC equity markets reflected mixed investor sentiment through the month of December despite the bounce in Oil prices from its recent lows. While Oman and Saudi posted a positive 4.1% move in their respective market indices, Qatar, Kuwait and Abu Dhabi markets reported negative returns for the month. Global economic growth continues to decelerate, taking its toll on investor sentiment and dragging on the performance of global and regional markets.

Outlook for January 2013: Global investors continue to focus on the fiscal cliff, which could have significant implications on both US and Emerging Market economic growth. Again, the slow progress being witnessed in Europe is likely to be marred by intermittent periods of extreme uncertainty and wavering market confidence. Looking ahead, continued economic recovery in China and support for Oil prices, could give some fillip to the key Petrochemicals sector in Saudi Arabia. Elsewhere, positive political developments in Kuwait and sustained momentum in the Dubai Real Estate sector could keep the hopes alive for regional investors.

Dividend

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

Funds Performance- Historical as of Dec 2012



Fund Review for the 187th Month

The NAV was RO 0.945 as at the end of Dec '12 increased by about 2.8% for the month as against the S&P GCC Composite Index gain of 2.2% and MSM30 Index gain of 4.1%. The average NAV per unit during the month was RO 0.936. There were no subscription, or redemption during the month. The total number of units therefore remains at 4,389,424. The net asset value stands at RO 4.15 million.

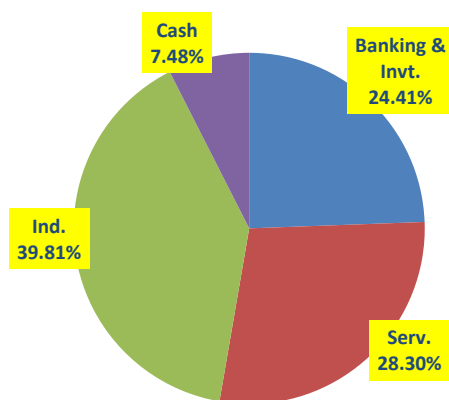
TOP 5 Holdings

TOP 5 Holdings	%
Saudi Basic Ind. corp	7.72
Industries Qatar	5.29
Etihad Etisalat	4.67
Qatar National Bank	4.55
National Bank of Abudhabi	3.88

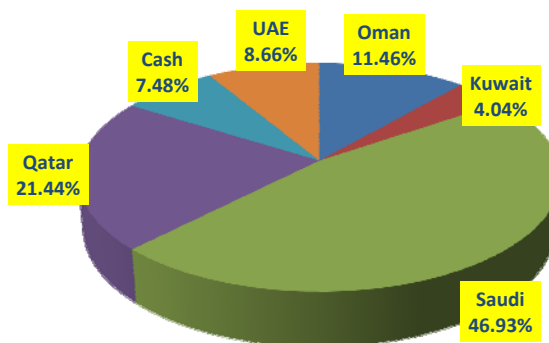
	Past Five years			
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.01%	-0.49%	0.01%	-0.61%
Monthly Maximum loss	-20.9%	-26.9%	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	-1.75%	-8.1%	-1.75%	-9.6%
Annualized Volatility	19.3%	22.0%	19.3%	23.3%
% of winning months (against benchmark)	54.2%	na	59.3%	na
% of gained months	52.5%	55.9%	52.5%	44.1%
YTD	0.99%	-2.83%	0.99%	0.96%
Beta	0.77	na	0.74	na
Sharpe (RF 4.5%)	(0.32)	(0.57)	(0.32)	(0.61)
Information ratio	0.33	na	0.41	na
Alpha	3.5%	na	4.1%	na

Asset Allocations:

Sectoral Allocation

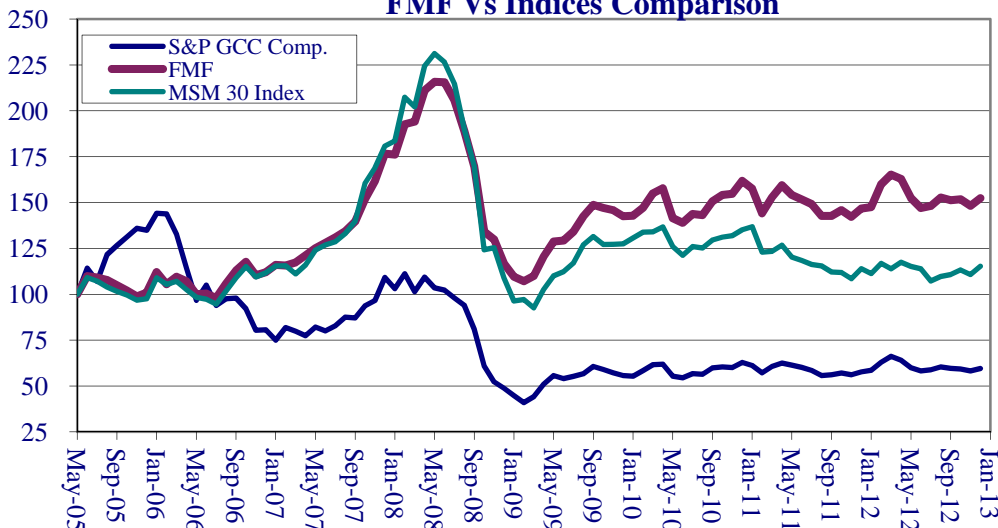


Geographical Allocation



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