



The First Mazoon Fund

The First Mazoon Fund JIA

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Feb 2016
225th 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 0.998 |
| Net Asset | R.O 7.7 Million |

Your Gateway to GCC Markets

| | FMF | S&P GCC Comp. |
|-----------------|---------|---------------|
| MTD | 4.3% | 3.7% |
| YTD | -0.8% | -7.4% |
| 1 Year | -14.4% | -28.8% |
| 3 year | 19.0% | -10.2% |
| 5 year | 32.2% | -3.0% |
| Since Inception | 269.88% | 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% | 22.90% |
| 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% | -54.60% |
| 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% | 7.90% |
| 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% | -5.30% |
| 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% | -0.20% |
| 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% | 22.80% |
| 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% | 23.90% |
| 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% | 32.80% |
| 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% | 42.10% |
| 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% | 11.00% |
| 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% | 57.60% |
| 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% | -33.90% |
| 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% | 1.36% | 2.00% | 2.42% | 3.59% | 32.51% |
| 2014 | 7.40% | 3.05% | 2.94% | 4.48% | 1.09% | -3.07% | 4.69% | 5.01% | -2.24% | -4.74% | -7.67% | -3.12% | 6.81% |
| 2015 | 1.88% | 1.55% | -3.00% | 9.38% | -1.35% | -2.08% | -0.70% | -8.98% | -0.46% | -3.63% | -2.71% | -0.13% | -10.70% |
| 2016 | -4.91% | 4.3% | | | | | | | | | | | -0.8% |

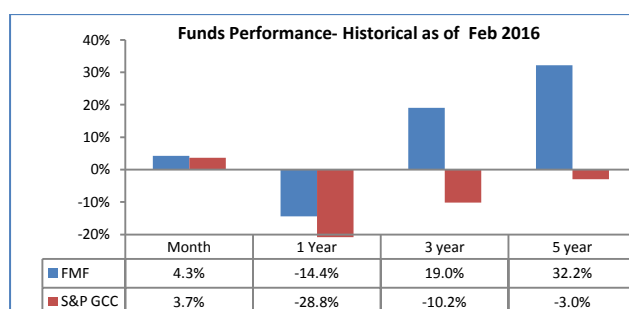
Market Review and Outlook

Review for February 2016 – Speculation of a possible deal amongst top oil producers, inspite of growing supply concerns, helped the oil prices to stabilize during the month under review, resulted in positive sentiments amongst investors across GCC countries. Except Bahrain, all the GCC indices ended positively with the Dubai and Abu Dhabi Indices leading them with a 8.1% & 7.3% gains respectively. The overall S&P GCC Composite Index gained by 3.7% to close at 88.4 levels, with volumes improving across the markets on a month to month basis.

Outlook for Mar 2016: Sentiments could continue to improve in ensuing month across GCC markets fuelled by dividend season, alongwith fundamentally stable stocks now available at very low valuations. This could be gauged from the credit rating downgrade by S&P during mid-Feb for Saudi, Bahrain and Oman stating significant impact on their economic & fiscal conditions amidst declining oil prices, but this didn't deter investors from holding on to their positions. However, a note of caution could come from these governments bringing in further measures to reduce existing benefits and subsidies. Hence, we are actively taking stock specific positions to outperform against benchmark on risk-adjusted return basis.

Dividend

| Financial Year ended | Cash | Stock |
|----------------------|------|-------|
| 2013 | 10% | 10% |
| 2010 | 5% | 5% |
| 2009 | 5% | 15% |
| 2007 | 10% | 15% |
| 2006 | 5% | 5% |
| 2005 | 10% | 25% |
| 2004 | 14% | 14% |



Fund Review for the 225th Month

The NAV was RO 0.998 as at the end of Feb'16 and increased by about 4.28% for the month as against S&P GCC Index which increased by 3.70%. The average NAV per unit during the month was RO 0.961.

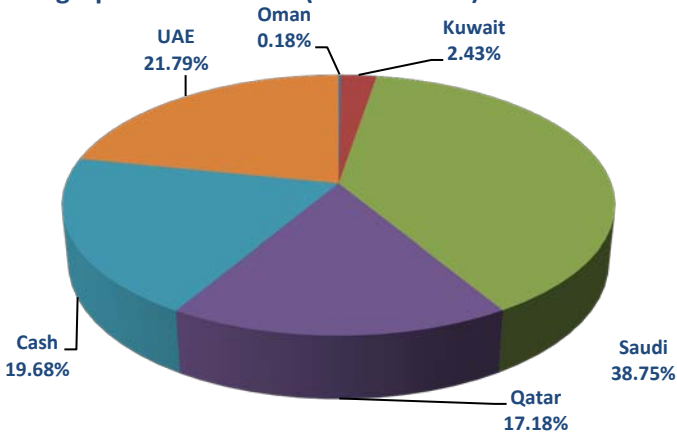
TOP 5 Holdings

| TOP 5 Holdings | % |
|---------------------|------|
| Emaar Malls | 5.03 |
| Samba Financial | 3.68 |
| Qatar National Bank | 3.55 |
| Aramex | 3.09 |
| Industries Qatar | 2.83 |

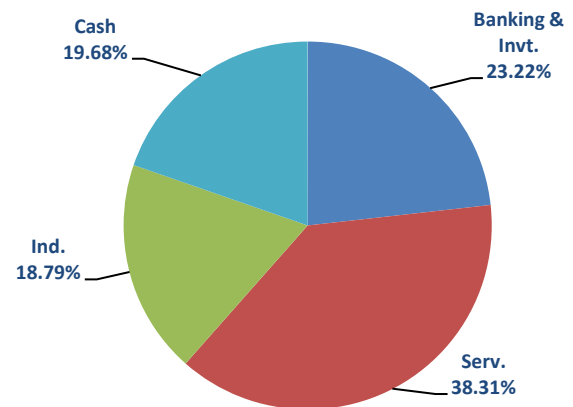
Comparison over the Past Five Years

| Particulars | FMF | S&P GCC Comp. |
|---|--------|---------------|
| Average Monthly Return | 0.54% | 0.06% |
| Monthly Maximum loss | -9.0% | -13.2% |
| Month of Maximum loss | Aug-15 | Aug-15 |
| Annualized Return | 5.75% | -0.6% |
| Annualized Volatility | 13.6% | 16.1% |
| % of winning months (against benchmark) | 58.3% | na |
| % of gained months | 51.7% | 53.3% |
| Beta | 0.80 | na |
| Sharpe (RF 4.5%) | 0.09 | (0.32) |
| Information ratio | 0.47 | na |
| Alpha | 5.3% | na |
| YTD | -0.8% | -7.4% |

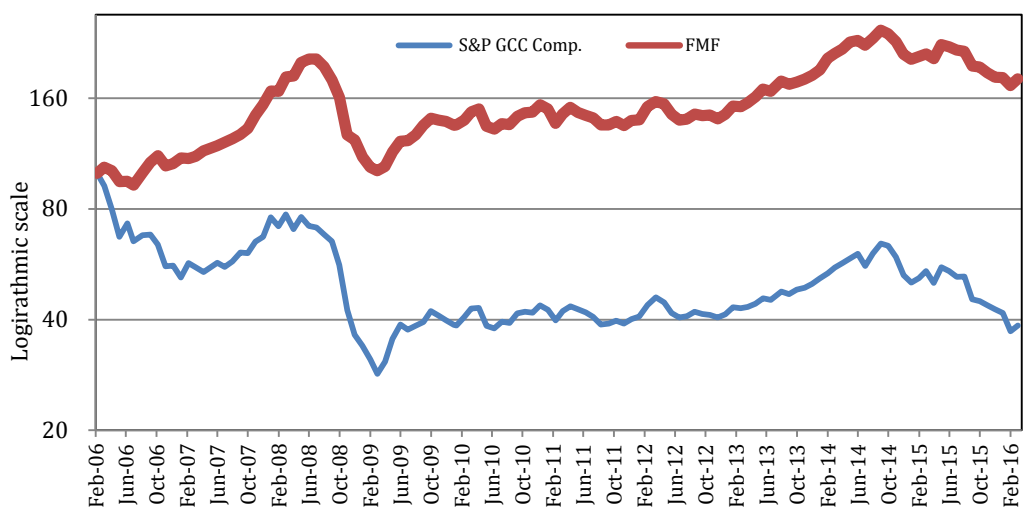
Geographical Allocation (GCC & Oman)



Sectoral Allocation (GCC & Oman)



FMF Vs S&P GCC Comparison



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Investment Manager



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