



The First Mazoon Fund

# The First Mazoon Fund JIA

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**February 2008**

**129<sup>th</sup> 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 MSM, GCC Markets and Mena region.

### Performance

	FMF	MSCI (GCC)	MSM 30 Index
For the month	9.41%	6.2%	12.98%
YTD	9.10%	-4.2%	14.69%
1 year	66.58%	36.7%	79.50%
3 year	161.19%	1.35%	185.11%
5 year	508.40%	na	434.00%

### Dividend Paid

Financial Year ended	Cash	Stock
2004	14%	14%
2005	10%	25%
2006	5%	5%
2007	10%	15%

## Fund Details

<b>Manager</b>	: Gulf Baader Capital Markets SAOC
<b>Custodian</b>	: HSBC Bank Middle East, Oman
<b>Launch Date</b>	: June 10, 1997
<b>Auditors</b>	: Moore Stephens
<b>Current Size</b>	: RO 3.88 million
<b>Units outstanding</b>	: 2,022,905
<b>Type</b>	: Open-ended
<b>Subscription/redemption</b>	: Daily
<b>Valuation date</b>	: Daily
<b>Entry Fee</b>	: 2%
<b>Management fee</b>	: 1.4% per annum
<b>Performance fee</b>	: 10%
<b>Hurdle rate</b>	: 10%
<b>Redemption Fee</b>	: 1% < 1 year
<b>NAV/Unit</b>	: RO 1.918

## Percentage Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1997									21.0%	3.1%	1.2%	3.8%
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%
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%
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%
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%
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%
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%
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%
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%
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%
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%
2008	-0.28%	9.41%										

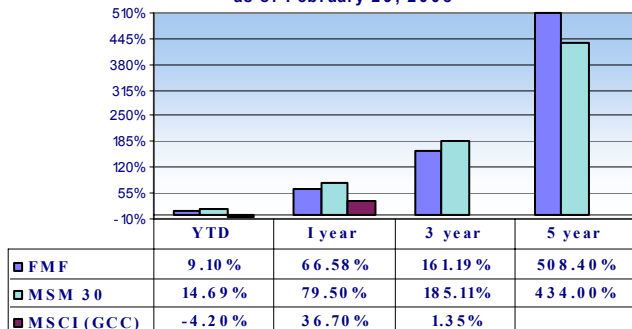
## Market Review and Outlook

Healthy corporate earnings announcements and generous dividend declarations by many of the leading companies helped the MSM Benchmark shatter the 10000 barrier and close the month of February at a lifetime high of 10362.81 points. Barring a few days, the Index maintained a positive movement through out the month and overall appreciation was 12.98% for the month. The YTD returns from the MSM30 Index at the close of February 2008 stands at 14.69%. The MSCI (GCC) index too witnessed a similar trend whereby it returned 6%, however it could not wipe out the losses for the year. Saudi Arabia's Tadawul dented the return for the year. From among the sectoral indices, The Industry Index was the out performer with a return of 15.22% for the month. The YTD return from the sector is also the highest at 15.51%. Meanwhile, the Banking & Investment Index appreciated by 14.56% during the month. The YTD return from this sector at the end of February 2008 stands at 13.73%. The Service & Insurance Index gave a return of 12.04% for the month and the YTD return from this sector as of February 2008 stands at 13.99%.

In Oman, overall trading activity declined in February compared to the previous month. A total of 319.967 million shares got traded during the month amounting to an aggregate turnover of RO 255.903 million, as against 423.050 million shares last month amounting to an aggregate turnover of RO 355.568 million.

Moving forward, market is likely to consolidate at current levels due to dividend adjustments.

Funds Performance- Historical as of February 29, 2008



## TOP 5 Holdings

	%
Raysut Cement	12.60
Renaissance Services	12.16
National Bank of Oman	10.71
Oman Telecommunication	9.80
Shell Oman Marketing	6.73

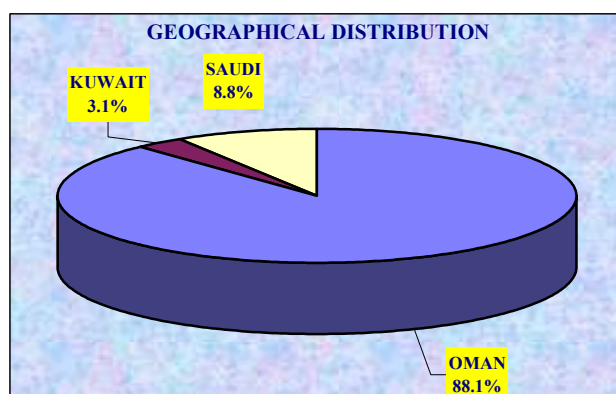
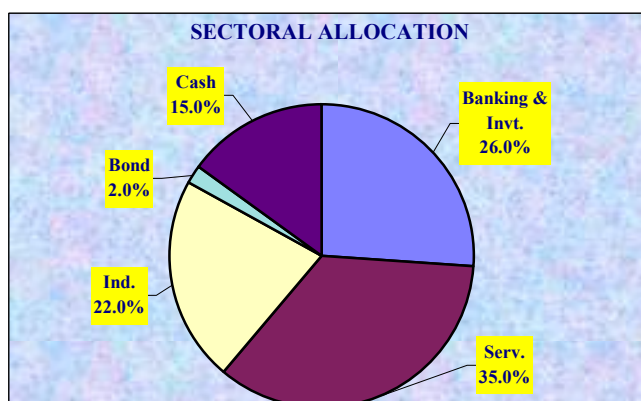
## Fund Review for the 129<sup>th</sup> Month

The NAV was RO 1.918 at the end of the month and was up 9.10% on YTD basis as against the MSM30 gain of 14.69% and regional markets represented by MSCI (GCC) return was 6.2%. The average NAV during the month was RO 1.832. A total of 16,827 units were redeemed during this month.

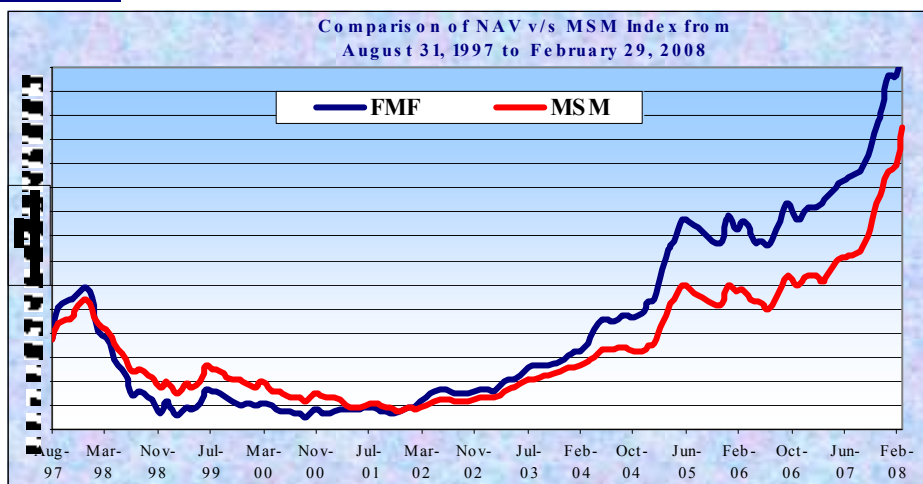
The Investor Committee Member's has proposed to distribute 25% dividend (10% Cash & 15% Stock) for the year ended 31 December 2007 to the Unit holders subject to their approval in the forthcoming Annual Unit holders meeting.

Past Three years	FMF	MSM	FMF	MSCI (GCC)
Average Monthly Return	2.12%	2.37%	2.1%	0.40%
Monthly Maximum loss	-6.6%	-4.9%	-6.6%	-17.7%
Month of Maximum loss	May-06	Nov-06	May-06	Apr-06
Annualized Return	24.4%	27.5%	24.4%	0.4%
Annualized Volatility	16.8%	18.3%	16.8%	29.4%
% of winning months (against benchmark)	45.5%	na	66.7%	na
% of gained months	63.6%	63.6%	63.6%	57.6%
YTD	9.10%	14.69%	9.1%	-4.2%
Sharpe (RF 5.5%)	1.13	1.20	1.13	(0.17)
Alpha	2.2%	na	20.1%	na

### Asset Allocations:



### Performance



### Contact Details

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### Investment Manager



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