



The First Mazoon Fund

# The First Mazoon Fund JIA

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Jan 2012  
176<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 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 4,307 million
Units outstanding	4,707,333
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 0.915

Your Gateway to GCC Markets

## Performance

	FMF	S&P GCC Comp.	MSM 30 Index
For the month	0.54%	1.63%	-2.35%
1 Year	-6.43%	-4.21%	-18.68%
3 year	34.67%	30.79%	15.54%
5 year	27.11%	-21.79%	-3.62%
Since inception	186.36%	na	47.36%

## 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%												0.54%

## Market Review and Outlook

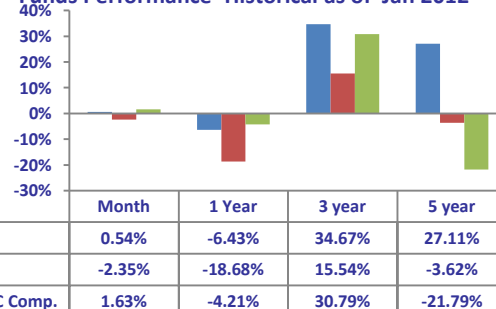
The positive momentum that was witnessed in the previous month continued in January'2012 as new allocation into the region saw fresh buying. UAE and Saudi dominated with a gain of 6% and 3.25% respectively with renewed vigor. Saudi Market saw historic volumes on the back of the news of opening up the market for foreign investors. On the contrary Qatar the best performer in 2011 lagged behind with a loss in excess of 2%. The concern on the macro front owing to low natural gas prices were affecting the sentiment in the Qatari market. The S&P (GCC) composite closed 1.6% higher during the month.

Outlook for February 2012: The news reaching the financial markets regarding economic indicators and financial figures from Euro zone, emerging markets and the American market are better than expected. There are many positive indicators suggesting the start of stability in European financial markets as European bonds coupon rates started to decline significantly indicating higher investor confidence in Euro zone and that markets are picking positively from the news, leading to a relative improvement in performance. Regionally, with the dividend season starting we expect stock specific movement for the coming month.

## Dividend

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

## Funds Performance- Historical as of Jan 2012



## Fund Review for the 176<sup>th</sup> Month

The NAV was RO 0.915 as at the end of Jan' 12 increased by 0.54% for the month as against the S&P GCC Composite Index gain of 1.63% and MSM30 Index loss of 2.35%. The average NAV per unit during the month was RO 0.904. There were no subscription or redemption of units for the month. The total number of units now stands at 4,707,333. The net asset value stands higher at RO 4.3 mln.

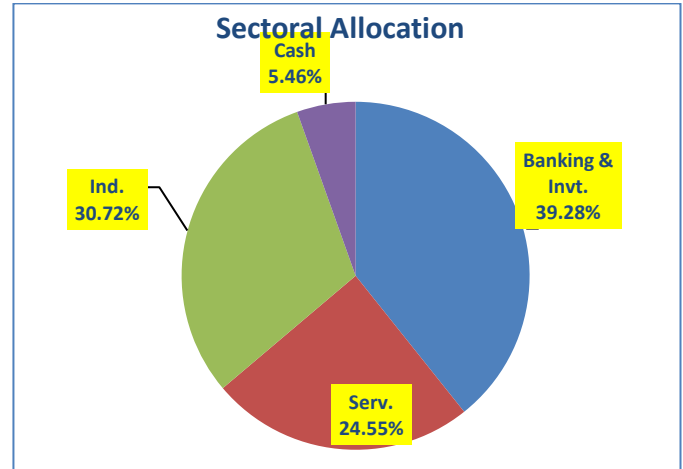
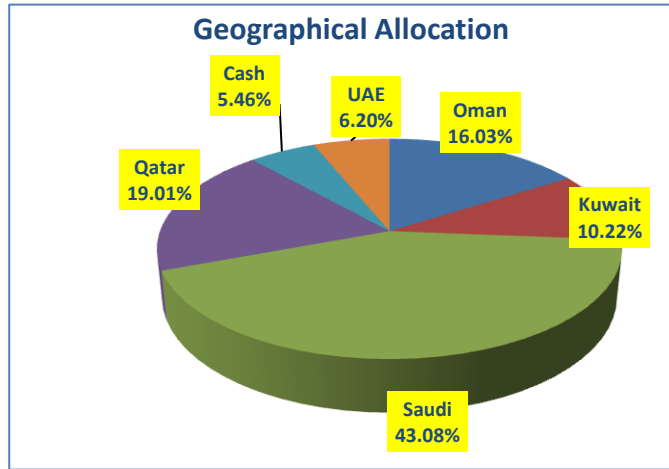
### TOP 5 Holdings

	%
Al Rajhi Banking Corp	5.99
Bank Muscat	5.14
Saudi Basic Ind. corp	4.48
Qatar National Bank	4.45
National Bank of Kuwait	4.13

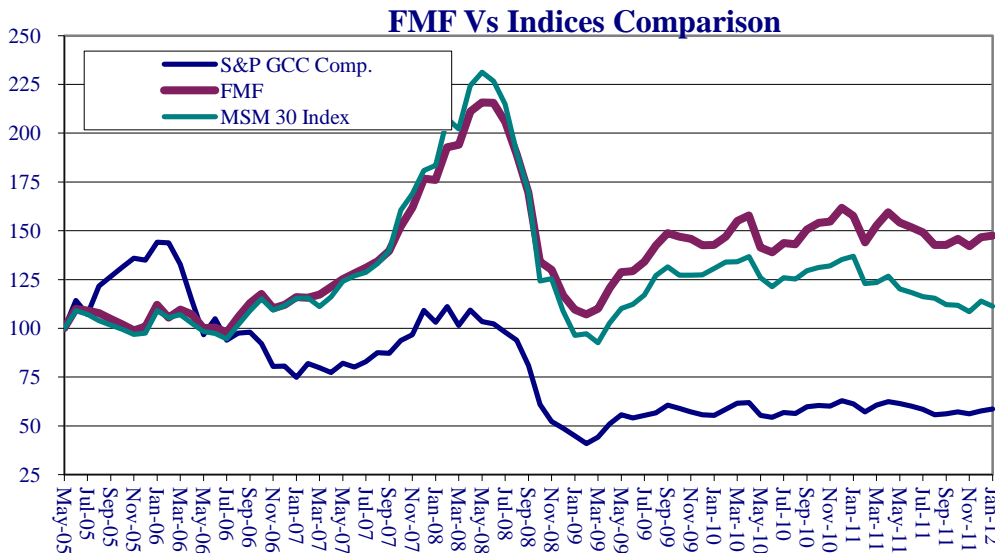
### Past Five years

	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.56%	0.17%	0.56%	-0.17%
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	4.9%	0.4%	4.9%	-4.8%
Annualized Volatility	19.3%	23.3%	19.3%	23.8%
% of winning months (against benchmark)	54.2%	na	61.0%	na
% of gained months	59.3%	62.7%	59.3%	47.5%
YTD	0.54%	-2.35%	0.54%	1.62%
Beta	0.75	na	0.68	na
Sharpe (RF 4.5%)	0.02	(0.18)	0.02	(0.46)
Information ratio	0.23	na	0.59	na
Alpha	3.5%	na	7.8%	na

### Asset Allocations:



### Performance



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### Investment Manager



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