The First Mazoon Fund JIA

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July 2012

182nd 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.

Your Gateway to GCC Markets

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 4.072 million
Units outstanding	4,432,745
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 0.919

Performance

	FMF	S&P GCC Comp.	MSM 30 Index
MTD	0.76%	0.97%	-5.83%
YTD	0.94%	1.94%	-5.91%
1 Year	-0.74%	0.58%	-7.74%
3 year	10.39%	6.38%	-8.35%
5 year	13.05%	-29.04%	-16.62%
Since inception	187.48%	N.A	41.98%

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%						0.94%

Market Review and Outlook

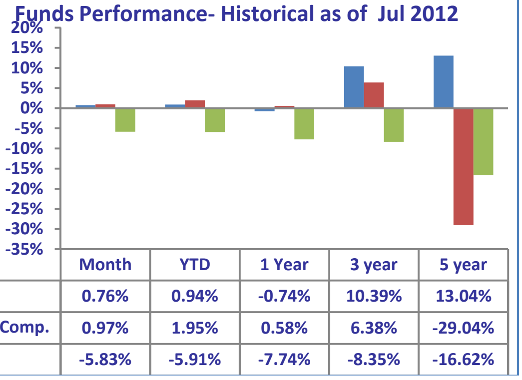
GCC markets remained range-bound and closed the month mixed on account of uncertain Eurozone market scenario and a poor performance of the commodities markets. While the UAE, Saudi Arabia and Qatar bourses remained positive with DFM leading the pack, all other GCC markets closed negative for the month of July 2012. Oman reported the worst performance with a month-to-date (MTD) fall of over 5.8%, Bahrain followed with a 2.4% decline, to be followed by Kuwait with a 1.2% decline. Positive impact from the impressive second quarter numbers was more or less fully wiped-off on account of global risk aversion.

Outlook for August 2012: In the global market, the US stocks advanced for a fourth week straight, giving the Dow Jones Industrial Average the longest rally since October 2011, as better than forecasted job data along with global stimulus efforts cheered investors. The regional markets have started witnessing some fresh fund flows, which is a significant positive factor. The holy month of Ramadan has not impacted the market activity much, and given the positive global cues and the currently rising oil prices, a relief rally could be in the offing in the GCC markets.

Dividend

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

Funds Performance- Historical as of Jul 2012



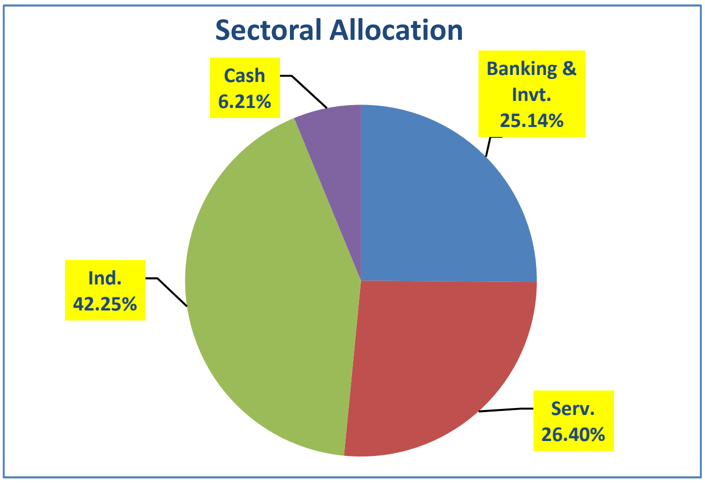
Fund Review for the 182nd Month

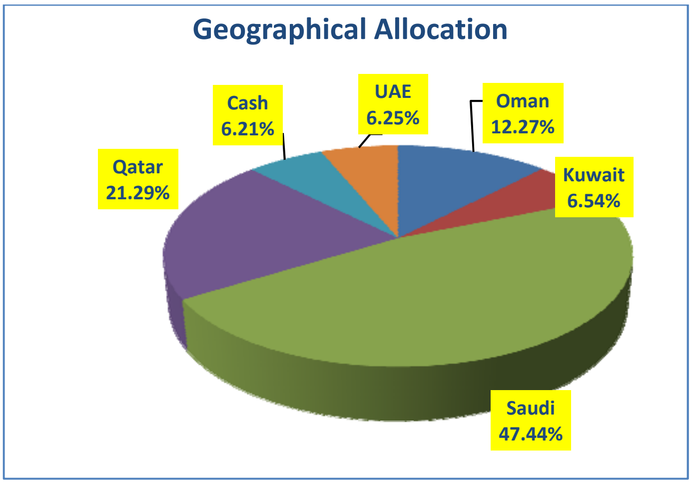
The NAV was RO 0.919 as at the end of June '12 increased by about 0.75% for the month as against the S&P GCC Composite Index gain of 0.97% and MSM30 Index loss of 5.83%. The average NAV per unit during the month was RO 0.908. There was no subscription, but there was a redemption of 1,457 units for the month. The total number of units now stands at 4,432,745. The net asset value stands higher at RO 4.072 million.

TOP 5 Holdings	%
Saudi Basic Ind. corp	7.93
Qatar National Bank	4.72
Industries Qatar	4.59
Etihad Etisalat	4.04
BankMuscat	3.50

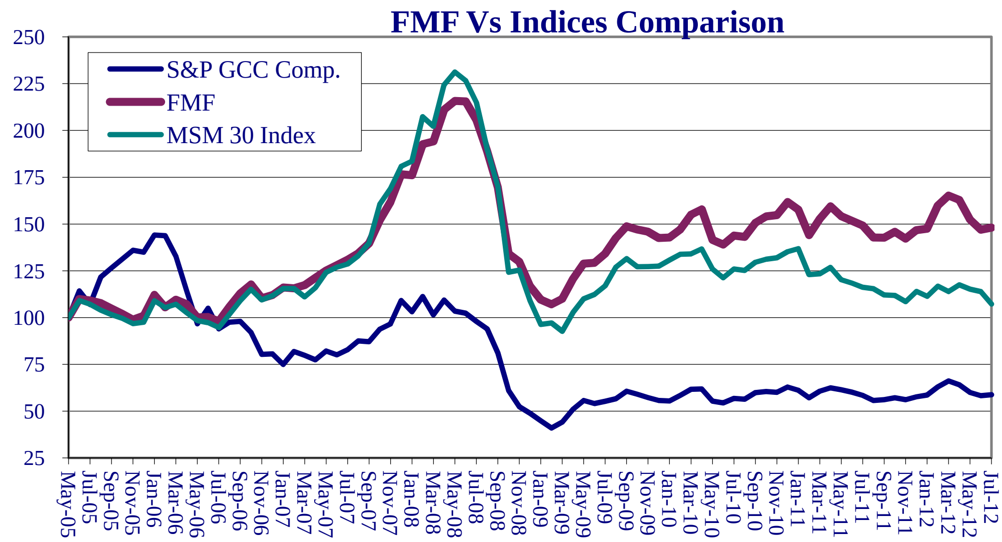
	Past Five years			
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.37%	-0.07%	0.37%	-0.33%
Monthly Maximum loss	-20.9%	-26.9%	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	2.5%	-3.6%	2.5%	-6.6%
Annualized Volatility	19.9%	23.2%	19.9%	23.7%
% of winning months (against benchmark)	54.2%	na	59.3%	na
% of gained months	55.9%	57.6%	55.9%	47.5%
YTD	0.93%	-5.91%	0.93%	1.94%
Beta	0.75	na	0.74	na
Sharpe (RF 4.5%)	(0.10)	(0.35)	(0.10)	(0.47)
Information ratio	0.30	na	0.46	na
Alpha	4.1%	na	6.2%	na

Asset Allocations:





Performance



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