



The First Mazoon Fund

# The First Mazoon Fund JIA

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**June 2009**  
**145<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.

## 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>	Horwath Mak Ghazali LLC
<b>Current Size</b>	RO 3.84million
<b>Units outstanding</b>	3,624,829
<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 1.061

## Performance

	FMF	MSCI (GCC)	MSM 30 Index
<b>For the month</b>	0.38%	0.75%	2.03%
<b>YTD</b>	10.75%	13.69%	3.14%
<b>1 year</b>	-40.02%	-45.78%	-50.44%
<b>3 year</b>	28.81%	-46.73%	15.43%
<b>5 year</b>	101.46%	na	62.29%
<b>Since inception</b>	150.95%	na	48.71%

## Dividend Paid

Financial Year ended	Cash	Stock
<b>2004</b>	14%	14%
<b>2005</b>	10%	25%
<b>2006</b>	5%	5%
<b>2007</b>	10%	15%

## Percentage Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>1997</b>									21.0%	3.1%	1.2%	3.8%	22.9%
<b>1998</b>	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%
<b>1999</b>	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%
<b>2000</b>	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%
<b>2001</b>	-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%
<b>2002</b>	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%
<b>2003</b>	-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%
<b>2004</b>	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%
<b>2005</b>	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%
<b>2006</b>	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%
<b>2007</b>	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%
<b>2008</b>	-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%
<b>2009</b>	-6.16%	-2.22%	2.73%	9.63%	6.77%	0.38%							10.75%

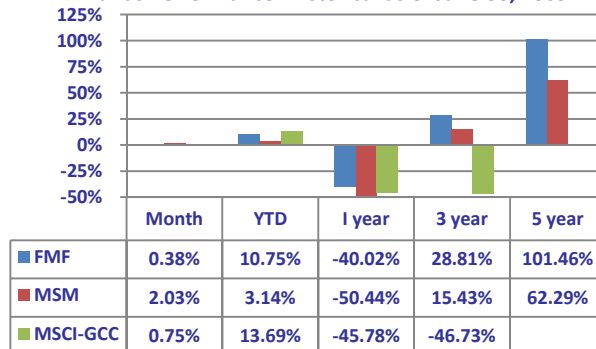
## Market Review and Outlook

The month of June 09 witnessed a mixed trend in the regional markets as the later part saw profit booking as concerns of second quarter results caught up with the investors on the fence. Despite the rise in Oil prices the regional markets saw correction as the Saudi based large and reputed business house reported default giving shock waves amongst the banking community. The investor sentiments, which were upbeat since the beginning of the second quarter experienced a jolt. On the international scene the base metal markets too came for a correction as Dollar appreciated from its low in May. The USA government too is reported to be in discussion for a second stimulus plan raising concerns of the prolonged distress in the economic situation.

Among the regional markets Muscat Securities Market stood out as the impending index adjustment brought stock specific activities surrounding the Banking and Services stocks. MSM reported a gain of 2% raising the YTD return to 3% while MSCI (GCC) recorded a gain of just 0.75% for the month.

In the forthcoming month the market would test its recovery trend as the results are likely to provide signals to the change in the economic situation. The results are likely to provide clue on the economic benefits that the Governments in the region has been taking since the beginning of the year. A sequential growth in the topline and improvement in the operating margins are the key drivers that can strengthen the markets.

Funds Performance- Historical as of June 30, 2009



## TOP 5 Holdings

	%
Bank Muscat	8.24
Omantel	6.50
Renaissance Services	5.05
Saudi Basic Industries Corp. (SABIC)	4.99
Shell Oman Marketing	4.68

## Fund Review for the 145<sup>th</sup> Month

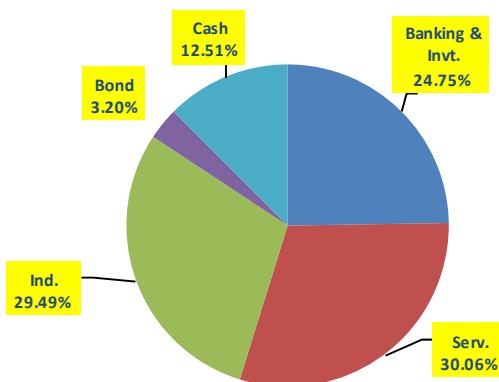
The NAV was RO 1.061 at the end of the month and was up 10.75% on YTD basis as against the MSM30 Index gain of 2.03% and regional markets represented by MSCI (GCC) return of 13.69%. The average NAV during the month was RO 1.073. A total of 2,500 units were redeemed and there were no subscription during the month. The total number of units now stands at 3,624,829. The net asset has now improved to RO 3,845,900 from the beginning of the month of RO 3,834,552.

### Past Three years

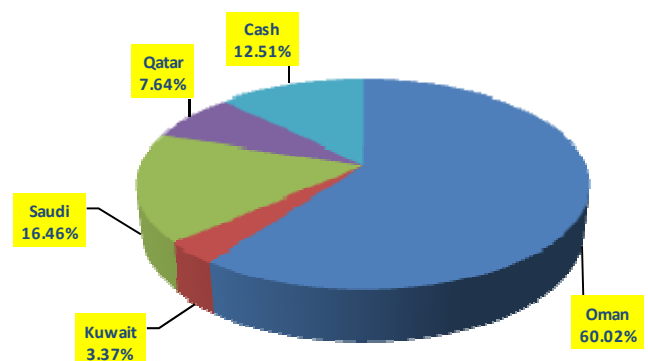
	FMF	MSM	FMF	MSCI (GCC)
Average Monthly Return	0.93%	0.76%	<b>0.93%</b>	-1.33%
Monthly Maximum loss	-20.9%	-26.9%	<b>-20.9%</b>	-21.9%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	9.7%	5.9%	<b>9.7%</b>	-15.1%
Annualized Volatility	22.8%	28.7%	<b>22.8%</b>	30.9%
% of winning months (against benchmark)	48.6%	na	<b>77.1%</b>	na
% of gained months	65.7%	68.6%	<b>65.7%</b>	48.6%
YTD	10.8%	3.1%	<b>10.8%</b>	13.7%
Beta	0.73	na	<b>0.51</b>	na
Sharpe (RF 4.5%)	0.23	0.05	0.23	(0.63)
Information ratio	0.17	na	1.09	na
Alpha	4.2%	na	<b>15.1%</b>	na

### Asset Allocations:

#### Sectoral Allocation

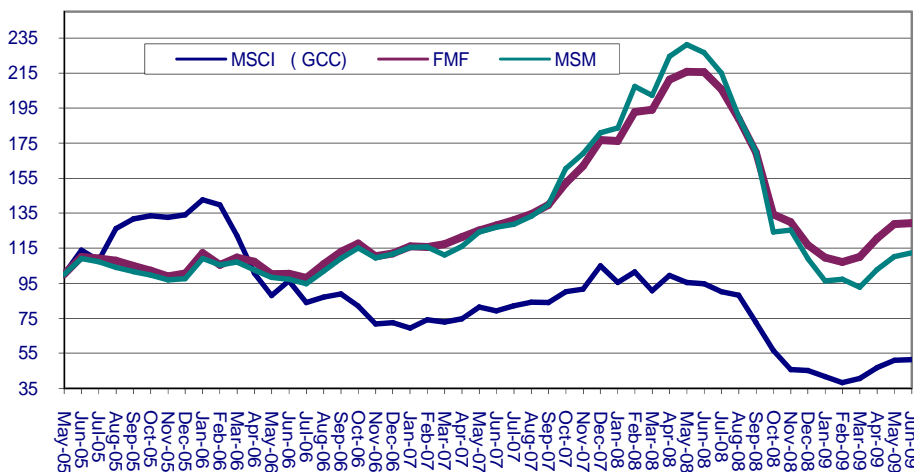


#### Geographical Allocation



### Performance

#### FMF Vs Indices Comparison



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### Investment Manager



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