



The First Mazoon Fund

The First Mazoon Fund JIA

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June 2012
181st 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 4.043 million
Units outstanding	4,434,202
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 0.912

Your Gateway to GCC Markets

Performance

	FMF	S&P GCC Comp.	MSM 30 Index
MTD	-3.54%	-2.91%	-1.13%
YTD	0.18%	0.96%	-0.09%
1 Year	-3.11%	-3.17%	-3.83%
3 year	13.70%	7.77%	1.38%
5 year	14.76%	-27.27%	-10.24%
Since inception	185.34%	na	50.77%

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%							0.18%

Market Review and Outlook

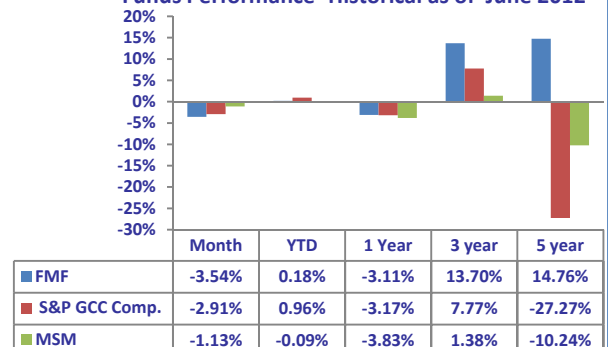
Market remained range-bound throughout June in the absence of any clear indications from the troubled Euro-region and sliding oil prices. The much anticipated Bank Nizwa IPO listing failed to cheer the market participants, and the stock remained subdued due to heavy selling pressure during the initial days of listing. The MSM 30 index closed at 5690, recording a decrease of 65 points, representing about 1.13% as compared to end-May 2012. Market turnover figures also improved about 6% on account of the IPO listing, with average daily turnover touching RO 4.48 million as compared to RO 3.49 million in May 2012.

Outlook for July 2012: While the market is expected to remain subdued during the peak-summer/ Ramadan season, stock specific actions could be witnessed on account of the second quarter result announcements. In the global economy, the positive sentiments post the successful Greek legislative elections were dampened by the rating downgrades of Spanish Banks, and the Euro region is still struggling to formulate an effective solution among themselves. Oil prices have recovered partially from the steep fall they had in mid-June, and that should have a positive impact on the regional markets.

Dividend

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

Funds Performance- Historical as of June 2012



Fund Review for the 181st Month

The NAV was RO 0.912 as at the end of June '12 decreased by about 3.54% for the month as against the S&P GCC Composite Index loss of 2.91% and MSM30 Index loss of 1.13%. The average NAV per unit during the month was RO 0.920. There were no subscription or redemption of units for the month. The total number of units now stands at 4,434,202. The net asset value stands higher at RO 4.043 million.

TOP 5 Holdings

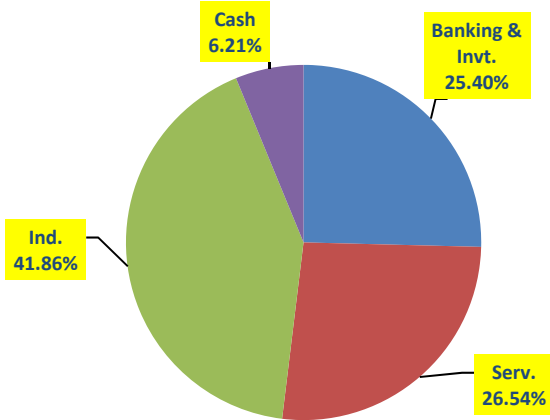
	%
Saudi Basic Ind. corp	8.19
Qatar National Bank	4.70
Industries Qatar	4.40
Etihad Etisalat	3.96
National bank of Abudhabi	3.21

Past Five years

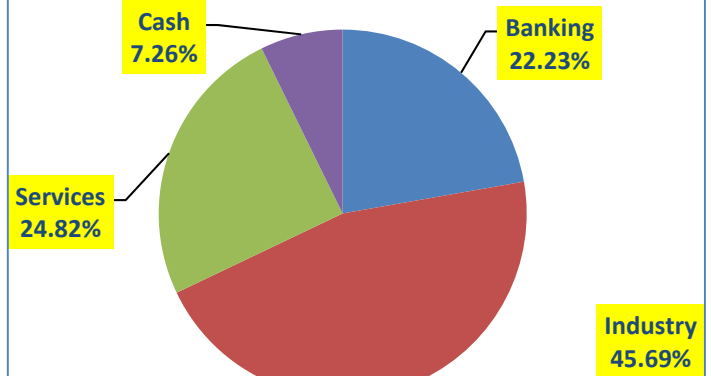
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.40%	0.05%	0.40%	-0.29%
Monthly Maximum loss	-20.9%	-26.9%	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	2.8%	-2.1%	2.8%	-6.2%
Annualized Volatility	19.9%	23.1%	19.9%	23.8%
% of winning months (against benchmark)	54.2%	na	59.3%	na
% of gained months	55.9%	59.3%	55.9%	47.5%
YTD	0.18%	-0.09%	0.18%	0.96%
Beta	0.76	na	0.73	na
Sharpe (RF 4.5%)	(0.09)	(0.29)	(0.09)	(0.45)
Information ratio	0.25	na	0.45	na
Alpha	3.4%	na	6.1%	na

Asset Allocations:

Sectoral Allocation

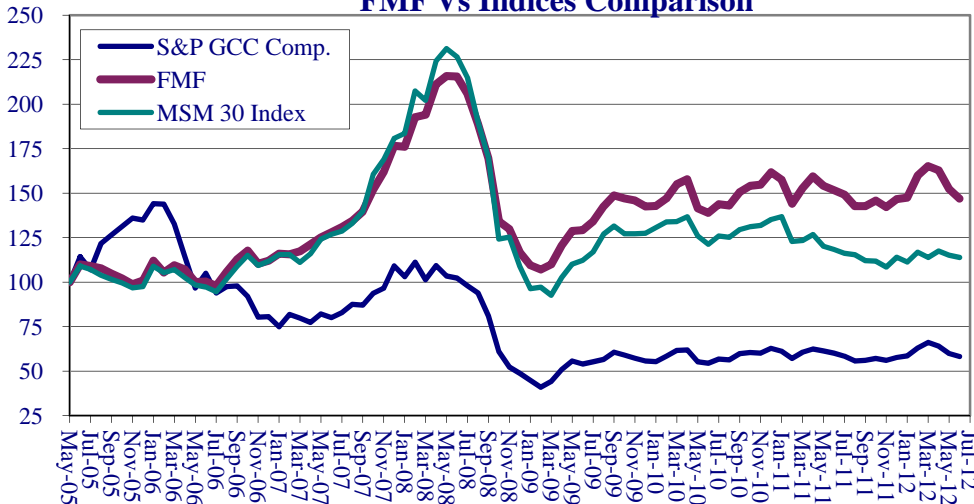


Sectoral Allocation - GCC



Performance

FMF Vs Indices Comparison



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Investment Manager



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