



The First Mazoon Fund

The First Mazoon Fund JIA

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March 2008
130th 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	0.73%	-8.15%	-2.51%
YTD	9.90%	-11.98%	11.81%
1 year	65.42%	27.93%	82.01%
3 year	122.42%	-6.91%	136.29%
5 year	476.33%	na	401.37%
Since inception+	276.78%	na	167.70%

Dividend Paid

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

Fund Details

Manager	: Gulf Baader Capital Markets SAOC
Custodian	: HSBC Bank Middle East, Oman
Launch Date	: June 10, 1997
Auditors	: Moore Stephens
Current Size	: RO 5.72 million
Units outstanding	: 3,595,267
Type	: Open-ended
Subscription/redemption	: Daily
Valuation date	: Daily
Entry Fee	: 2%
Management fee	: 1.4% per annum
Performance fee	: 10%
Hurdle rate	: 10%
Redemption Fee	: 1% < 1 year
NAV/Unit	: RO 1.593

Percentage Monthly Returns

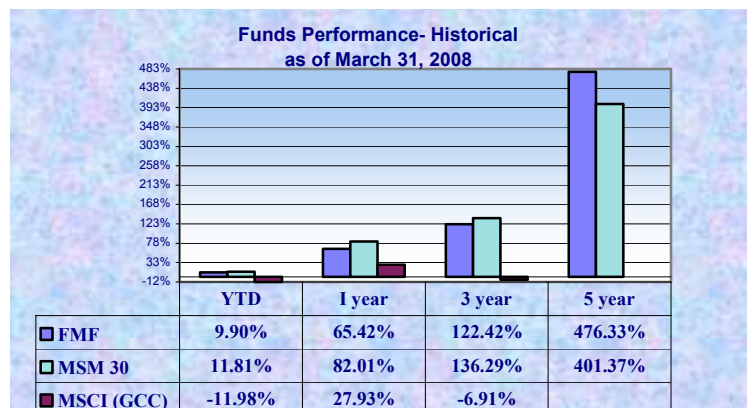
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1997									21.0%	3.1%	1.2%	3.8%
1998	3.1%	-5.3%	-18.1%	-4.2%	-8.6%	-10.2%	-8.6%	-17.2%	4.4%	-4.2%	-4.9%	-16.1%
1999	16.7%	-10.2%	-8.5%	13.6%	-4.4%	8.8%	16.2%	-1.6%	-2.5%	-4.7%	-3.6%	-5.1%
2000	2.3%	-2.6%	4.6%	-1.6%	-2.8%	-5.6%	-1.6%	-3.2%	0.9%	-3.9%	10.1%	-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%	0.73%									

Market Review and Outlook

The month of March 2008 saw the MSM Index touch a lifetime high of 10728.67 points during the middle of the month before the market adjusted for dividends and closed the month with a loss of 2.51% at 10102.57 points. Negative sentiments in the region due to global concerns in financial markets also impacted the performance of the Omani market to some extent. The YTD returns from the Index at the close of March 2008 stood at 11.81%. Overall Market volumes improved over previous month as a total of 397.713 million shares got traded during the month at an aggregate turnover of RO 323.357 million. The Industry Index out performed the quarter with a return of 17.25% followed with the Banking & Investment Index with a return of 14.28%.

From among the regional markets, except for Kuwait, all other four regional Indices also saw losses during the month of March 2008. Saudi was the major loser with a drop of 11.24% for the month. UAE too experienced a similar fate with a loss of 10.21%, Qatar and Bahrain lost 8.76% and 3.16% respectively.

Moving forward, expectations of healthy first quarter earning announcements from companies are likely to dominate the performance of the local as well as the regional markets. From among the regional markets, Saudi and Kuwaiti markets are expected to provide good opportunity.



TOP 5 Holdings

	%
Renaissance Services	10.57
Raysut Cement	8.91
Omantel	7.10
National Bank of Oman	6.36
Oman International Bank	6.01

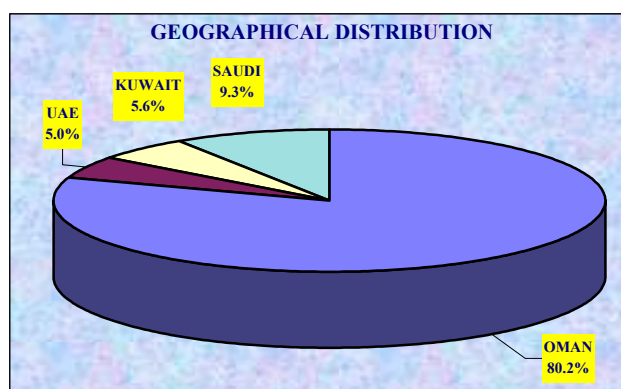
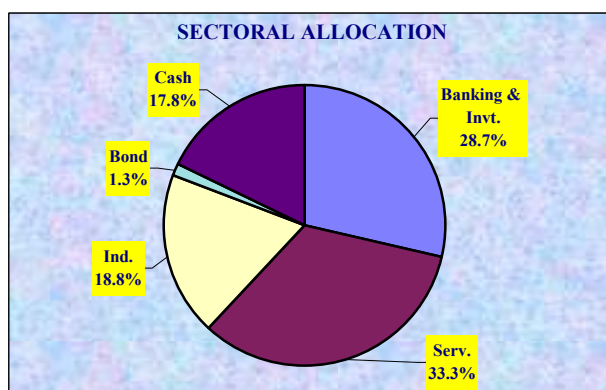
Fund Review for the 130th Month

The NAV was RO 1.593 at the end of the month and was up 9.90% on YTD basis as against the MSM30 gain of 11.81% and regional markets represented by MSCI (GCC) return of -11.98%. The average NAV during the month was RO 1.595. A total of 1,109,000 units were subscribed and 1,231 units were redeemed during this month.

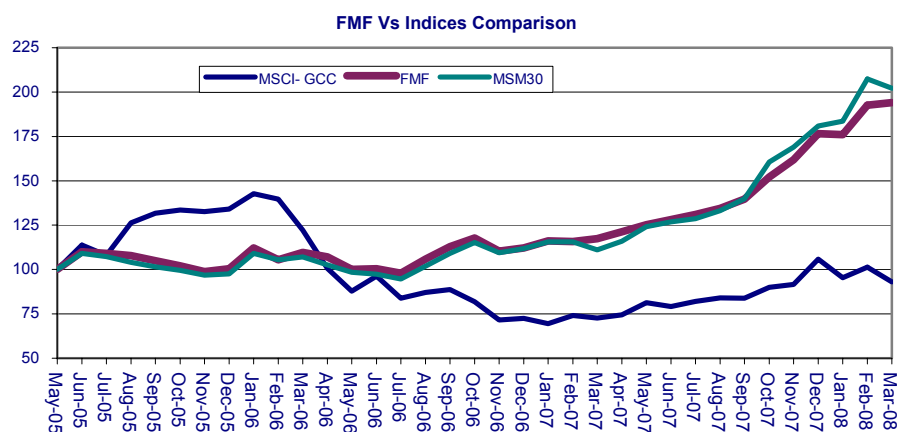
At the Annual General Meeting held on March 10, 2007 the Unit holders approved 25% dividend (10% Cash & 15% Stock) for the year ended 31 December 2007.

Past Three years	FMF	MSM	FMF	MSCI (GCC)
Average Monthly Return	2.08%	2.22%	2.1%	0.14%
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	24.7%	26.4%	24.7%	-2.4%
Annualized Volatility	16.5%	18.3%	16.5%	29.4%
% of winning months (against benchmark)	47.1%	na	67.6%	na
% of gained months	64.7%	61.8%	64.7%	55.9%
YTD	9.90%	11.81%	9.9%	-12.0%
Sharpe (RF 5.5%)	1.16	1.15	1.16	(0.27)
Alpha	3.4%	na	20.9%	na

Asset Allocations:



Performance



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Investment Manager



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