



The First Mazoon Fund

The First Mazoon Fund JIA

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May 2014
204th 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	Gulf Custody Company
Launch Date	June 10, 1997
Auditors	Moorestephens
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 1.270
Net Asset	R.O 7.5 Million

Your Gateway to GCC Markets

	FMF	S&P GCC Comp.
MTD	1.09%	3.15%
YTD	20.32%	16.82%
1 Year	35.57%	32.12%
3 year	57.23%	41.53%
5 year	88.21%	55.99%
Since Inception	370.55%	na

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%	3.13%	-0.99%	0.36%	-2.37%	2.84%	3.86%
2013	5.47%	-0.39%	2.42%	3.87%	4.99%	-1.48%	6.63%	-2.03%	1.36%	2.00%	2.42%	3.59%	32.51%
2014	7.40%	3.05%	2.94%	4.48%	1.09%								20.32%

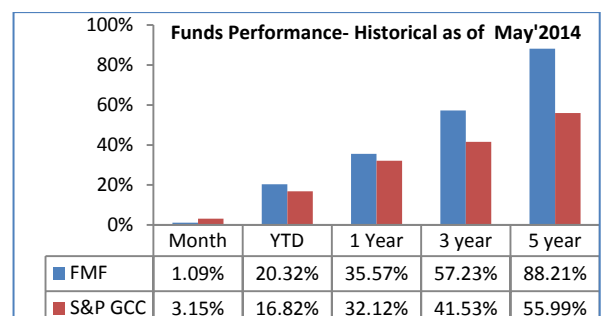
Market Review and Outlook

All the markets improved during the month of May with the S&P Index notching up an average gain of 3.2% to close at 138.5 levels. The Qatari Index was the largest gainer as foreign inflows increased on the eve of Qatar transitioning from MSCI-Frontier Market Index to MSCI Emerging Index. Abu Dhabi Index came a distant second with a 4.1% gain, followed by Saudi, Bahrain, and Muscat market with gains of 2.5%, 2.2% and 1.9% respectively. Volumes continued to build up across the markets on the expectation of passive fund flows in June'2014 due to higher allocation to the GCC markets within the MSCI emerging and frontier Indices universe.

Outlook for June 2014 -Economic indicators have continued to stay robust for the US, resulting in the necessary stimulus for the up-trending global markets. Other events like the Ukraine crisis continued to remain in a stalemate, even though the impact now seems to be more limited to the region. Lately, some uncertainty has arisen on account of developments pertaining to 2022 world cup allocation to Qatar. Outcome of this event could indeed have some impact on the investors' sentiments. With that view, we believe that on a short term basis, regional defensive stocks, with inexpensive valuations and stable dividend yields would likely fare better than sectors which have exhibited leadership over the last one year.

Dividend

Financial Year ended	Cash	Stock
2013	10%	10%
2010	5%	5%
2009	5%	15%
2007	10%	15%
2006	5%	5%
2005	10%	25%
2004	14%	14%



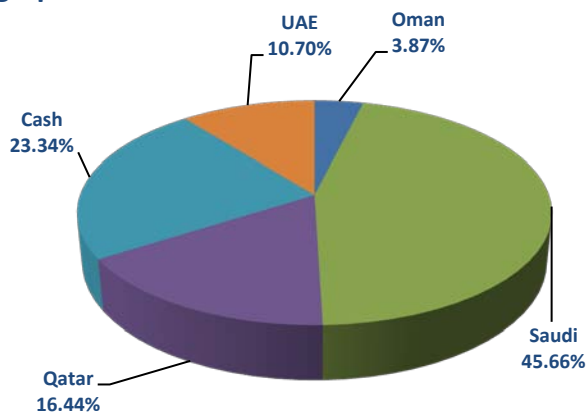
Fund Review for the 204th Month

The NAV was RO 1.270 as at the end of May'14 and increased by about 1.09% for the month as against the S&P GCC Composite Index which increased by 3.15%. During the same period, the MSM Index was higher by 1.94%. The average NAV per unit during the month was RO 1.261.

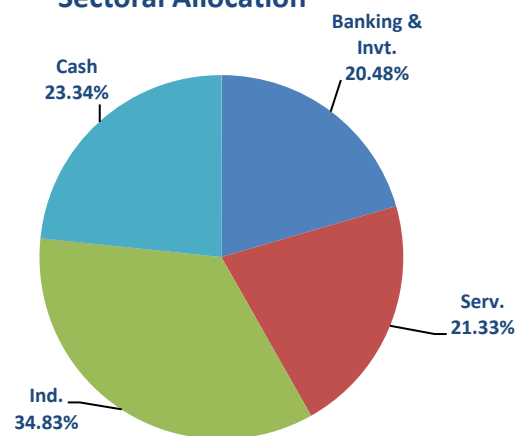
TOP 5 Holdings	%
SABIC	7.24
Petro Rabigh	3.86
Almarai	3.34
Doha Bank	2.65
Al Meera	2.61

Particulars	FMF	S&P GCC Comp.
Average Monthly Return	1.13%	0.81%
Monthly Maximum loss	-10.4%	-10.6%
Month of Maximum loss	May-10	May-10
Annualized Return	13.48%	9.30%
Annualized Volatility	12.9%	12.5%
% of winning months (against benchmark)	60.0%	na
% of gained months	63.3%	58.3%
YTD	20.32%	16.82%
Beta	1.01	na
Sharpe (RF 4.5%)	0.70	0.38
Information ratio	0.32	na
Alpha	4.1%	na

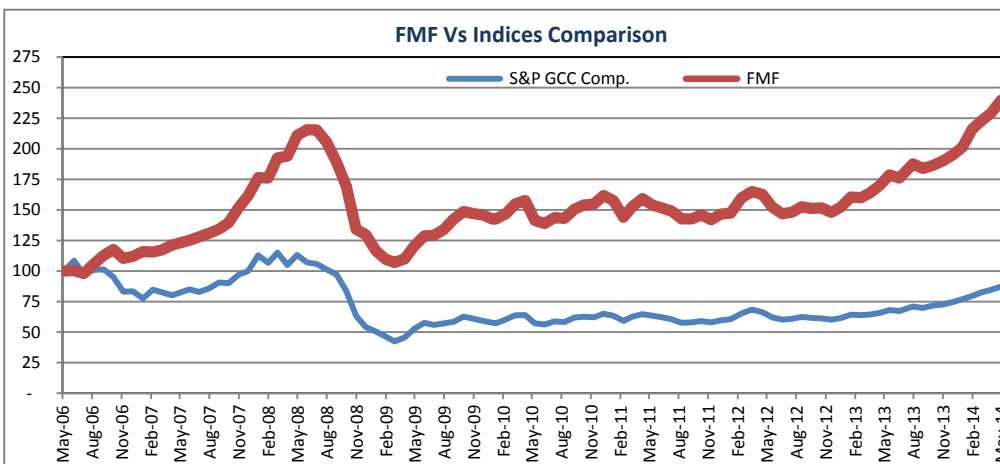
Geographical Allocation



Sectoral Allocation



Performance



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Investment Manager



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