



The First Mazoon Fund

The First Mazoon Fund JIA

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November 2013

198th 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 1.209 |

Your Gateway to GCC Markets

| | FMF | S&P GCC Comp. |
|-----------------|---------|---------------|
| MTD | 2.42% | 2.54% |
| YTD | 27.87% | 20.93% |
| 1 Year | 31.50% | 23.59% |
| 3 year | 25.90% | 19.77% |
| 5 year | 50.01% | 37.58% |
| Since Inception | 278.24% | 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% | | 27.87% |

Market Review and Outlook

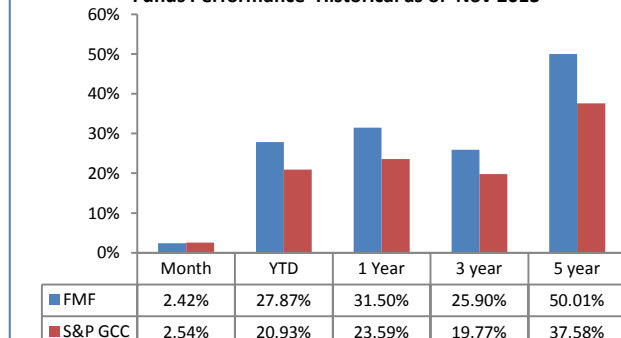
After a sedate performance during the preceding month, the month of November saw increased market activity with earnings growth and dividends paying companies attracting local and foreign investors in the GCC markets. These were especially seen in the Qatari and Saudi market which gained sizably by 5.5% and 3.5% respectively. The continued stance of US Fed statement on maintaining its easy monetary policy, until the expected economic growth numbers are not reached also helped in maintaining the positive sentiments in the markets. Except Kuwait which ended with a loss of 1.8%, other markets maintained a gain of less than 1%.

Outlook for December 2013 – The recent Iran nuclear temporary deal is likely to bring stability to the region. Further, Dubai winning the Expo 2020 bid could have positive repercussions across GCC and along with the likely increase in infrastructure spending in the next year could percolate down to better earnings growth visibility for listed entities. Hence, we are actively looking to adjust our portfolio towards earnings-led growth companies on a yearly perspective to continue providing risk adjusted superior returns.

Dividend

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

Funds Performance- Historical as of Nov'2013

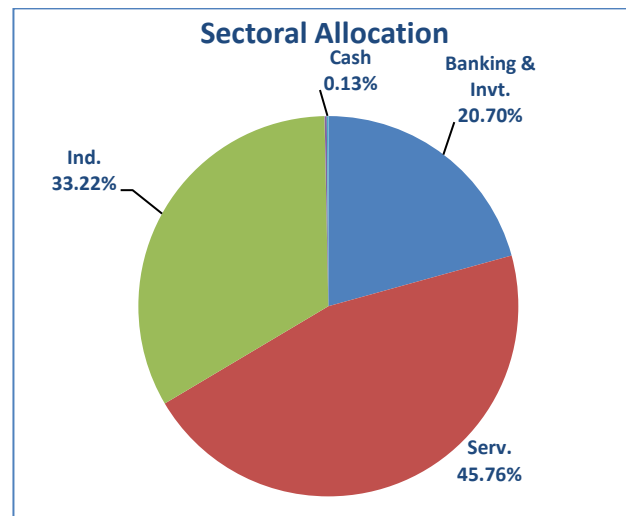
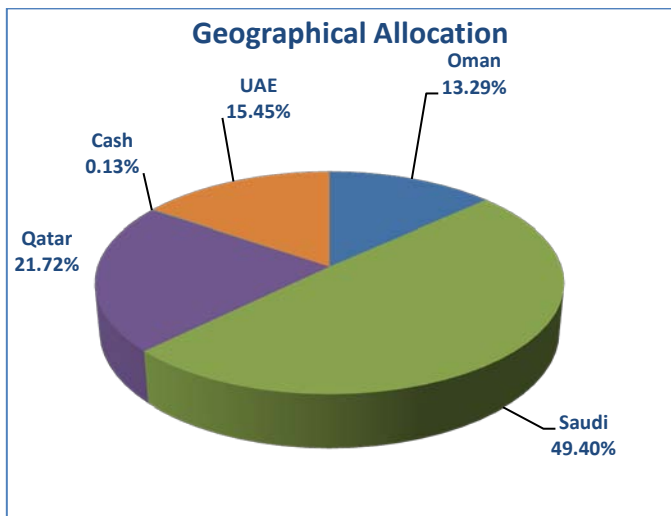


Fund Review for the 198th Month

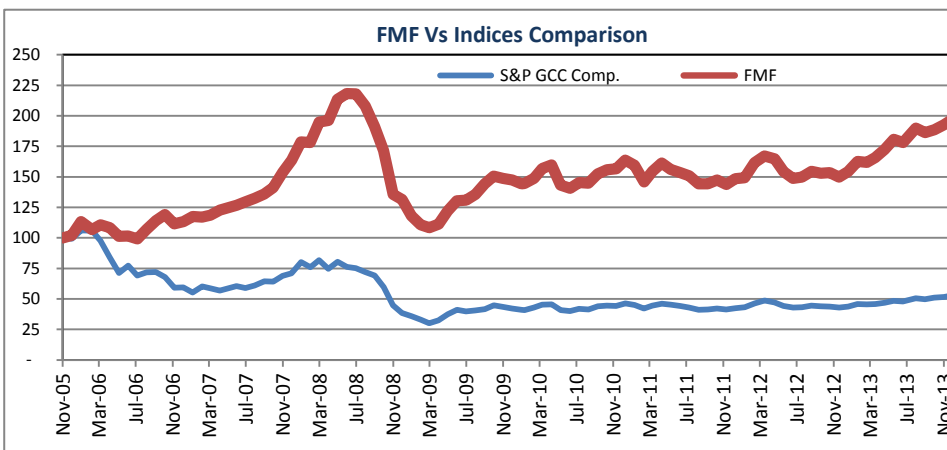
The NAV was RO 1.209 as at the end of November '13 and increased by about 2.4% for the month as against the S&P GCC Composite Index which increased by 2.5%. The average NAV per unit during the month was **RO 1.198**.

| TOP 5 Holdings | % |
|------------------|------|
| Emaar Properties | 5.45 |
| Etihad Etisalat | 3.96 |
| Rak Ceramics | 3.76 |
| SABIC | 3.57 |
| Dar Alarkan | 3.16 |

| Particulars | FMF | S&P GCC Comp. |
|---|--------|---------------|
| Average Monthly Return | 0.77% | 0.64% |
| Monthly Maximum loss | -10.4% | -10.6% |
| Month of Maximum loss | May-10 | May-10 |
| Annualized Return | 10.79% | 8.08% |
| Annualized Volatility | 14.6% | 16.2% |
| % of winning months (against benchmark) | 56.7% | na |
| % of gained months | 58.3% | 54.2% |
| YTD | 27.87% | 20.93% |
| Beta | 0.83 | na |
| Sharpe (RF 4.5%) | 0.43 | 0.22 |
| Information ratio | 0.19 | na |
| Alpha | 3.3% | na |



Performance



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Investment Manager



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