



The First Mazoon Fund

# The First Mazoon Fund JIA

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**Nov 2011**  
**174<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 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 4,150 million
Units outstanding	4,707,333
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 0.882

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## Performance

	FMF	S&P GCC Comp.	MSM 30 Index
For the month	-2.53%	-1.81%	-3.00%
YTD	-12.15%	-10.74%	-19.75%
1 Year	-8.15%	-6.65%	-17.77%
3 year	9.44%	7.23%	-13.46%
5 year	28.86%	-30.21%	-0.85%
Since inception	175.94%	na	43.63%

## 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%		-12.15%

## Market Review and Outlook

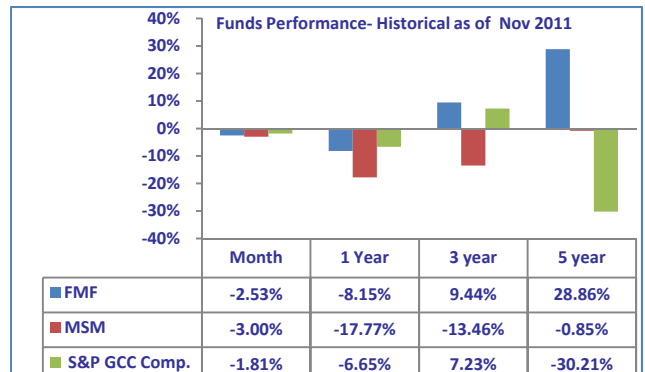
The month of November was marred by the concerns of the Euro debt issue and resultant slowdown in the region impacting the global growth for the years to come. The risk aversion associated with the global issues incited the foreign investors to further reduce their positions from the region. All the markets in the region barring Bahrain lost during the month. While Oman was the highest loser with 3% decline, Saudi, Kuwait and UAE lost 2% apiece. S&P GCC eventually lost 1.8% for the month. Volumes were relatively higher in Saudi and Qatar during the month showing signs of smart money taking advantage of the fall.

Outlook for December 2011: The last month of the year normally remains uneventful, mainly due to the western holiday season as well as on investors' reluctance to take bigger bets just before the annual results declarations in January 2012. However, by and large, demand for high dividend-yield stocks could be on the rise, especially in markets like Oman and Qatar where even large investors prefer to remain more of dividend-seekers than growth-seekers at this juncture. For the European and American markets, December 2011 would be a crucial month since some important decisions on containing the debt crisis are expected to be taken during the second/third week of the month, which could have lasting impacts on even emerging and frontier markets.

## Dividend

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

Funds Performance- Historical as of Nov 2011



## Fund Review for the 174<sup>th</sup> Month

The NAV was RO 0.882 as at the end of Nov' 11 decreased by 2.5% for the month as against the S&P GCC Composite Index loss of 1.83% and MSM30 Index loss of 3%. The average NAV per unit during the month was RO 0.894 after adjusting for dividends of 5% cash and 5% stock. There were no subscription or redemption for the month. The total number of units now stands at 4,707,333. The net asset value stands slightly lower at RO 4.15mln.

### TOP 5 Holdings

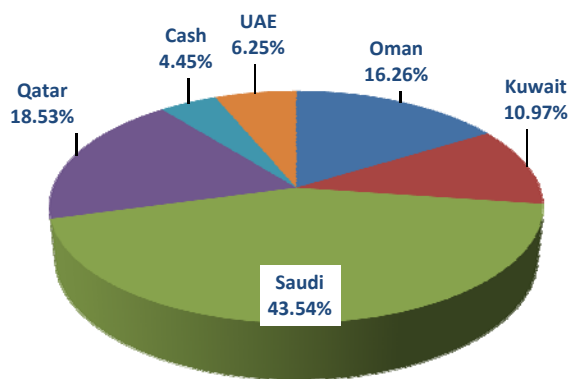
	%
Saudi Basic Ind. corp	9.09
Al Rajhi Banking Corp	5.83
Bank Muscat	5.00
National Bank of Kuwait	4.16
Qatar National Bank	3.73

### Past Five years

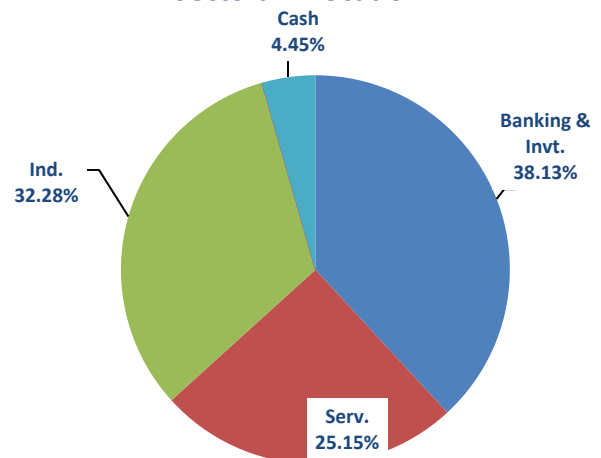
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.58%	0.22%	0.58%	-0.35%
Monthly Maximum loss	-20.9%	-26.9%	-20.9%	-24.7%
Month of Maximum loss	Oct-08	Oct-08	Oct-08	Oct-08
Annualized Return	5.2%	-0.2%	5.2%	-6.9%
Annualized Volatility	19.3%	23.2%	19.3%	24.0%
% of winning months (against benchmark)	54.2%	na	62.7%	na
% of gained months	59.3%	64.4%	59.3%	45.8%
YTD	-12.15%	-19.75%	-12.15%	-10.74%
Beta	0.75	na	0.65	na
Sharpe (RF 4.5%)	0.04	(0.20)	0.04	(0.48)
Information ratio	0.28	na	0.63	na
Alpha	4.2%	na	8.2%	na

### Asset Allocations:

#### Geographical Allocation

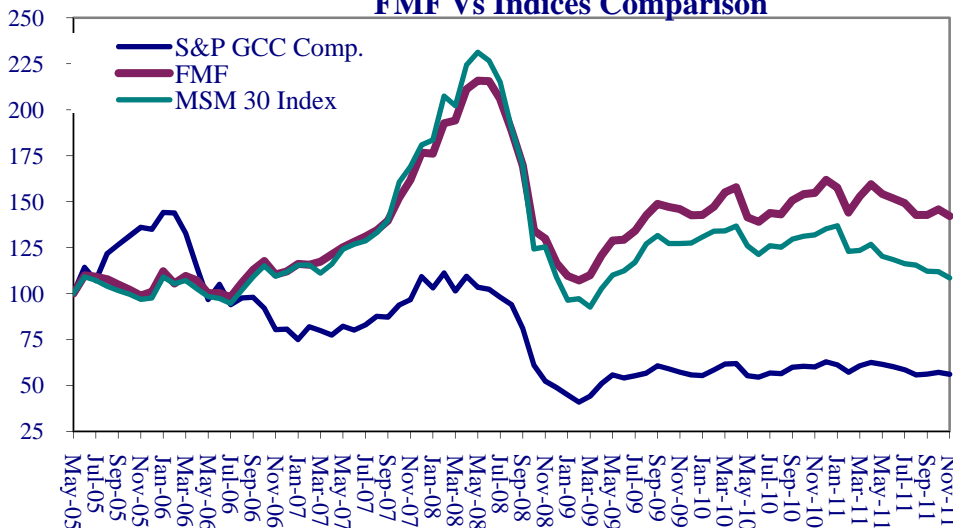


#### Sectoral Allocation



### Performance

#### FMF Vs Indices Comparison



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### Investment Manager



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