



The First Mazoon Fund

# The First Mazoon Fund JIA

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*October 2013*

*19<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	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 1.180

**Your Gateway to GCC Markets**

	FMF	S&P GCC Comp.
MTD	2.00%	1.20%
YTD	24.85%	17.93%
1 Year	25.35%	18.42%
3 year	23.45%	16.10%
5 year	41.81%	15.07%
Since Inception	269.30%	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%			24.85%

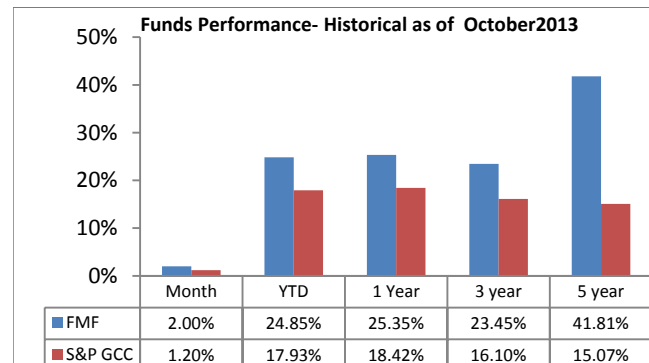
## Market Review and Outlook

After a reasonably good performance seen during the preceding month, the month of October saw the GCC markets trading in a narrow zone - in spite of the US Congress reopening the government and raising the federal debt limit, which now extends till early 2014. Dubai continued to show stellar performance by again notching up a 5.8% gain, while Qatar which remained sideways picked up just before the end of the month to close with a 2.4% gain. While Saudi and Kuwait gained by 1%, other stock indices remained largely range bound.

**Outlook for November 2013** – The US Fed announcement of continuing with its easy monetary policy during the end of last month suggests that its economic data figures are still to improve, which means that incremental flows could continue to move towards riskier assets including frontier market like GCC. The overall quarterly numbers for the GCC region has been relatively mixed with Saudi companies performing relatively better than the Qatari companies, while UAE continued to show improvement in their economic activity. Given the dividend season not being far away, we are accordingly adjusting our portfolio allocation to a mix of growth and dividend.

## Dividend

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

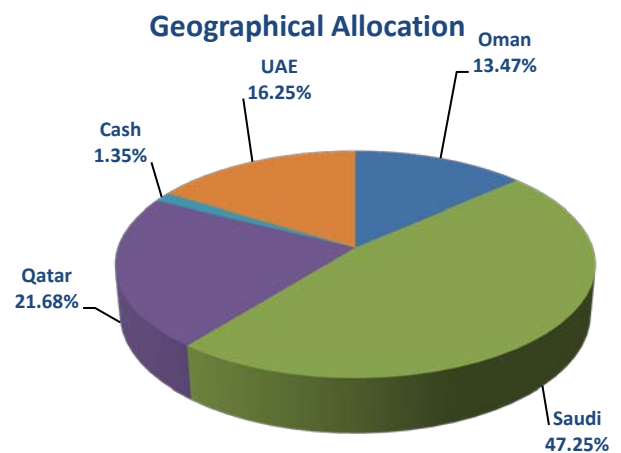
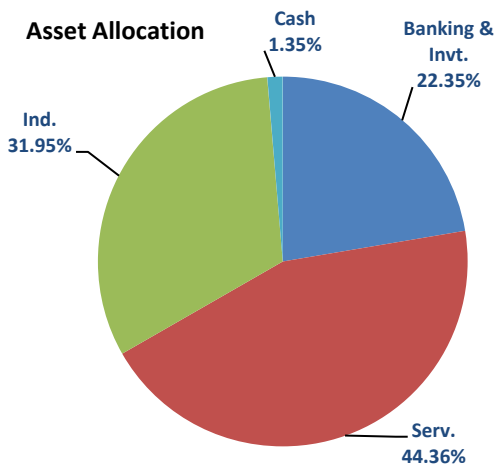


## Fund Review for the 197<sup>th</sup> Month

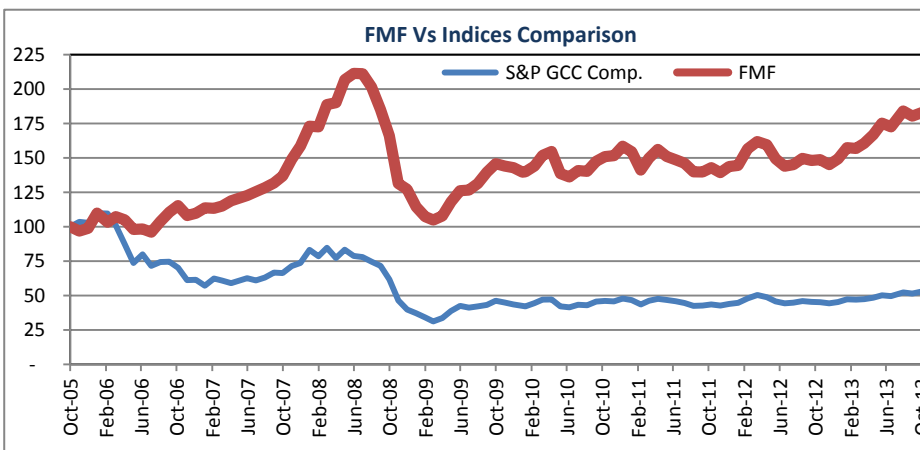
The NAV was RO 1.180 as at the end of October '13 and increased by about 2% for the month as against the S&P GCC Composite Index which increased by 1.2%. The average NAV per unit during the month was RO 1.171.

TOP 5 Holdings	%
Emaar Properties	4.08
Rak Ceramics	3.75
Etihad Etisalat	3.69
Saudi Inter. Petrochem	3.47
SABIC	3.39

Particulars	FMF	S&P GCC Comp.
Average Monthly Return	0.67%	0.36%
Monthly Maximum loss	-10.4%	-14.2%
Month of Maximum loss	May-10	May-10
Annualized Return	7.24%	-3.06%
Annualized Volatility	17.6%	17.5%
% of winning months (against benchmark)	58.3%	na
% of gained months	56.7%	52.5%
YTD	24.85%	17.93%
Beta	0.75	na
Sharpe (RF 4.5%)	0.16	(0.43)
Information ratio	0.59	na
Alpha	8.4%	na



## Performance



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### Investment Manager



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