



The First Mazoon Fund

The First Mazoon Fund JIA

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Sep 2014
208th 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 1.323
Net Asset	R.O 10.2 Million

Your Gateway to GCC Markets

	FMF	S&P GCC Comp.
MTD	-2.24%	-1.38%
YTD	25.35%	22.77%
1 Year	35.39%	31.71%
3 year	76.96%	62.82%
5 year	69.75%	50.56%
Since Inception	390.22%	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%	-3.07%	4.69%	5.01%	-2.24%				25.35%

Market Review and Outlook

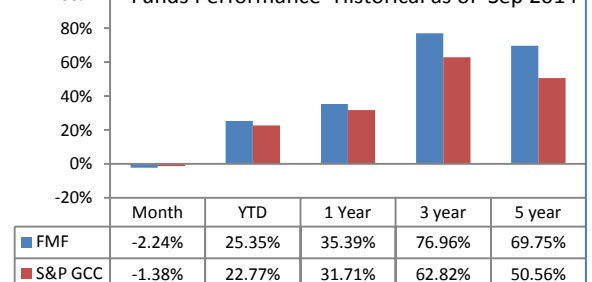
After two consecutive months of superlative gains, the S&P GCC Composite Index corrected during September with a 1.4% drop to close at 145.6 levels. The Saudi market, which represents around 60% of the composite Index was the largest contributor with its Index losing by 2.3%, while Dubai's DFM faltered by 0.4%. However, rest of the countries represented by their individual stock market improved with MSM leading with a 1.6% gain, followed by Qatar Index at 0.97%, while Kuwait, Bahrain gained by 0.5% and 0.26% respectively. The continuous fall off of oil and issues of global slowdown affected the markets sentiments. Overall, the volumes continued to be higher than the previous month.

Outlook for October 2014 – Going forward, the path of global equity markets will be determined by global growth which continues to slow. In its latest semi-annual outlook, the IMF lowered its global growth forecast by 0.3% to 3.4% for 2014. While IMF projects a healthy growth of 4.5% for the GCC region in 2014 and 2015, the likelihood of this forecast being downgraded on account of sharp fall in crude oil prices remains high. In the regional markets, the biggest theme will continue to be the probable opening up of Saudi Arabian equity markets next year. We have adjusted our asset allocations accordingly to reflect the above developments and as always are directing our efforts to fare better than the benchmark.

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%

Funds Performance- Historical as of Sep 2014



Fund Review for the 208th Month

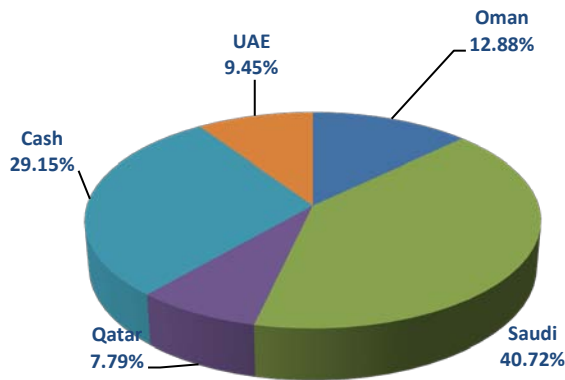
The NAV was RO 1.323 as at the end of Sep'14 and decreased by about 2.24% for the month as against S&P GCC Index which decreased by 1.38%. During the same period, the MSM Index was higher by 1.59%. The average NAV per unit during the month was **RO 1.343**.

TOP 5 Holdings	%
Al Rajhi	5.76
Eastern Cement	5.26
Emaar properties	5.25
SABIC	4.88
Nawras	3.85

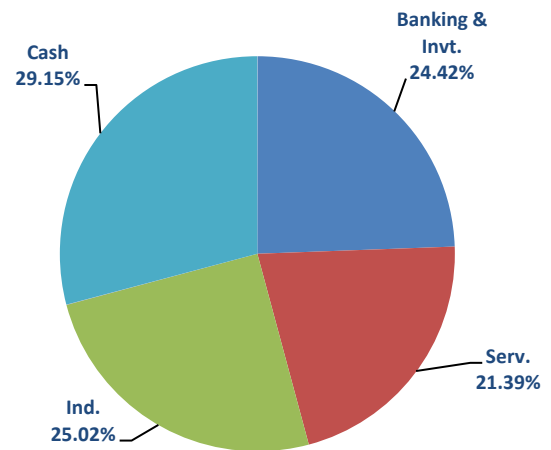
Comparison over the Past Five Years

Particulars	FMF	S&P GCC Comp.
Average Monthly Return	0.96%	0.76%
Monthly Maximum loss	-10.4%	-10.6%
Month of Maximum loss	May-10	May-10
Annualized Return	11.16%	8.5%
Annualized Volatility	13.0%	13.3%
% of winning months (against benchmark)	56.7%	na
% of gained months	60.0%	56.7%
YTD	25.35%	22.77%
Beta	0.94	na
Sharpe (RF 4.5%)	0.51	0.30
Information ratio	0.20	na
Alpha	2.9%	na

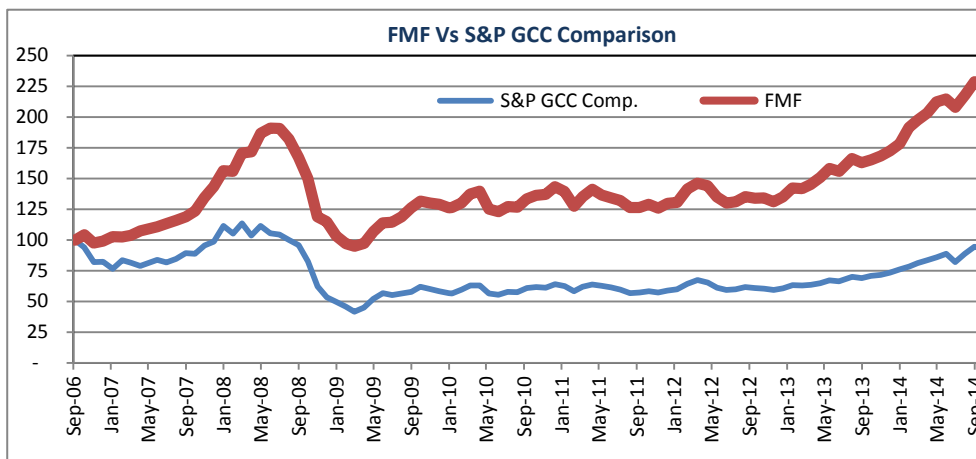
Geographical Allocation (GCC & Oman)



Sectoral Allocation (GCC & Oman)



Performance



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Investment Manager



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