



The First Mazoon Fund

The First Mazoon Fund JIA

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September 2012

184th 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 4.1 million
Units outstanding	4,396,238
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 0.938

Your Gateway to GCC Markets

Performance

	FMF	S&P GCC Comp.	MSM 30 Index
MTD	-0.99%	-1.30%	0.99%
YTD	3.07%	3.34%	-2.82%
1 Year	5.97%	6.25%	-1.21%
3 year	1.65%	-1.75%	-15.79%
5 year	8.29%	-31.58%	-20.79%
Since Inception	193.56%	N.A	46.65%

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%				3.07%

Market Review and Outlook

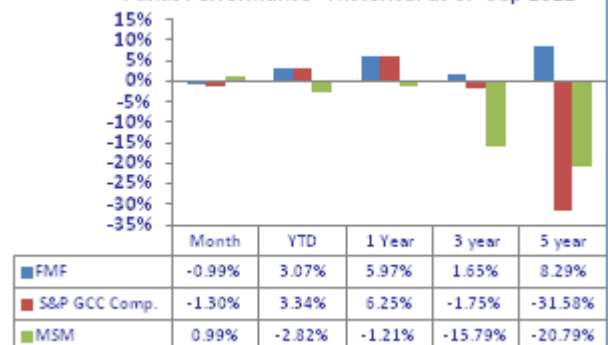
The regional bourses swung mostly higher during the month. Saudi Tadawul index, the only decliner of the month, dropped 4.2% and ended at 6839.83 points. Kuwait, the top performer of the month, rallied 2.05 percent to 5982.69 points on the back of KIA's support in the market. Dubai bourse too swung 2% higher to 1578.79 points; while year-to-date it outpaced the rest with a 16.7% jump. Oil prices remained range bound during September owing to various factors, including monetary easing by the central banks of some of the major economies.

Outlook for October 2012: Global markets are slowly retreating from their 'QE3-driven' rallies as signs of economic weakness in Europe are putting pressure on central bank policy makers who would be meeting in the first week, to consider fresh easing steps. Again, the final euro-zone composite purchasing managers' index (PMI) for September fell to a four-month low, pointing to an inevitable return to recession in the third quarter, On the commodity side, U.S. crude stockpiles climbed four weeks in a row, signaling demand may be faltering in the world's biggest user of the commodity. For markets, 3rd quarter/9 month figures from corporates would be crucial for stock-specific movements.

Dividend

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

Funds Performance- Historical as of Sep 2012



Fund Review for the 184th Month

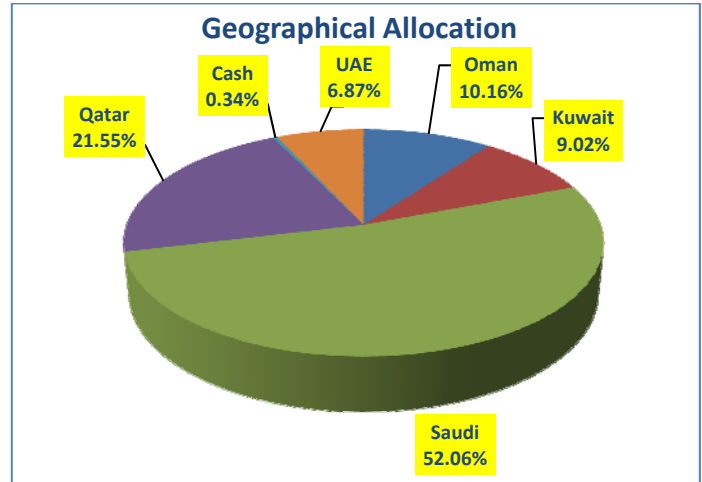
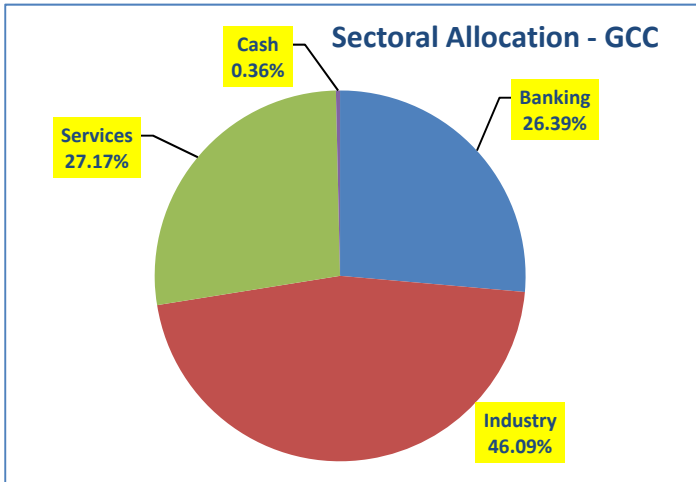
The NAV was RO 0.938 as at the end of Sep '12 decreased by about 0.99% for the month as against the S&P GCC Composite Index loss of 1.30% and MSM30 Index gain of 0.99%. The average NAV per unit during the month was RO 0.947. There was no subscription, but there was a redemption of 35,319 units for the month. The total number of units now stands at 4,396,238. The net asset value stands lower at RO 4.1 million.

TOP 5 Holdings

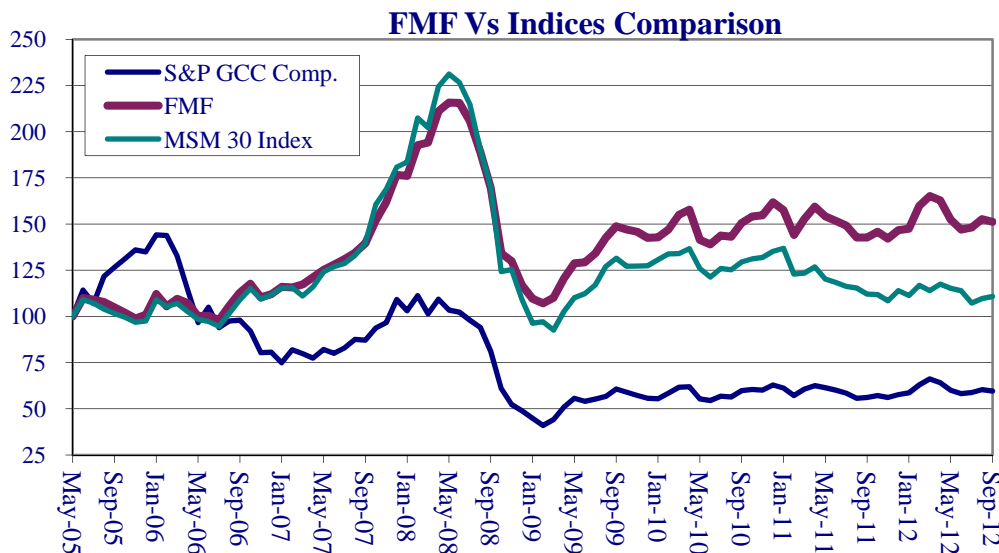
TOP 5 Holdings	%
Saudi Basic Ind. corp	7.88
Industries Qatar	4.83
Qatar National Bank	4.74
Al Rajhi	4.41
Etiihad Etisalat	4.13

	Past Five years			
	FMF	MSM	FMF	S&P GCC Comp.
Average Monthly Return	0.30%	-0.16%	0.30%	-0.39%
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	1.6%	-4.6%	1.6%	-7.3%
Annualized Volatility	19.9%	23.1%	19.9%	23.6%
% of winning months (against benchmark)	55.9%	na	61.0%	na
% of gained months	54.2%	57.6%	54.2%	47.5%
YTD	3.07%	-2.82%	3.07%	3.34%
Beta	0.76	na	0.74	na
Sharpe (RF 4.5%)	(0.15)	(0.39)	(0.15)	(0.50)
Information ratio	0.31	na	0.45	na
Alpha	3.9%	na	5.8%	na

Asset Allocations:



Performance



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Investment Manager



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