



The First Mazoon Fund JIA

April 2005

P O Box 974, Ruwi, Postal Code 112, Oman – Tel: +968 24790614 Fax: +968 24790612

Objective

The Fund provides investors with the opportunity to invest in a basket of predominantly blue-chip Omani equities in order to achieve substantial capital gains.

Performance

	FMF*	MSM 30 Index
For the month	9.6%	9.3%
1 year	52.3%	45.7%
3 year	151.3%	156.9%
5 year	196.0%	117.8%
Since inception+	61.2%	23.9%

* The First Mazoon FundJIA

Fund Details

Manager	: Gulf Investment Services Co SAOG
Intl. Investment Advisor	: HSBC Financial Services (ME) Ltd.
Custodian	: HSBC Bank Middle East, Oman
Launch Date	: June 10, 1997
Auditors	: KPMG
Current Size	: RO 3.59 million
Units outstanding	: 2,209,468
Type	: Semi Open-ended
Listing	: Muscat Securities Market (MSM)
Subscription/redemption	: Monthly
Dealing date	: Second Thursday of each month
Management fee	: 1.4% per annum
NAV/Unit	: RO 1.428
Market Price	: RO 1.450
Last Dealing price/unit	: Bid: RO 1.462 offer: RO 1.521

Market Review and Outlook

Good IQ 2005 results together with attractive dividend yields continued to drive the market further in April 2005. GCC interest continued, further fueling the bull-run witnessed in March 2005. Initially towards the beginning of the month the market softened but this was primarily the dividend impact on the index. Month to date gains recorded by MSM 30 was 8.6 per cent with the banking and investment index leading the gains with 10.6 per cent. The MSM 30 closed the month at 4674, an increase of 370 points while the banking and investment index gathered 617 points to close at 6463. The industry sector index lagged behind with a moderate 6 per cent gain for the month and moved up 225 points to close at 3957. The service sector index remained complacent on a gain of 4.3 per cent or 76 points. The market continued to witness high activity levels with amass liquidity floating in the system. Despite the Dhofar Power IPO which was oversubscribed some 8 times, the market remained upbeat for the month.

With the OMANTEL IPO announcement and date of closure declared as 23rd June, we expect the market to remain subdued during May and June. We will continue to take advantage of the volatility in the local market in our trading portfolio and avail the opportunity to enter fundamentally sound stocks at attractive levels to further our returns for the fund.

Fund Review

The Fund outperformed the market during the month and was up 9.6%. The NAV was RO 1.428 at the end of the month and was up 37.6% on YTD basis as against the market's gain of 38.5%. The average NAV during the month was RO 1.348 and average premium widened to 20.2%. There were no redemptions during the month.

We will continue to seek stocks with momentum and attractive valuations in the GCC markets.

TOP 5 Holdings

TOP 5 Holdings	%
Bank Muscat	12.01
Oman Cement	10.40
Ominvest	9.13
Al Madina Fin & Invest Co	7.55
Renaissance Services	7.30

52-week	High	Low
MSM 30.Index*	4674.61	3038.12
Market Price	RO 2.000	RO 0.750
NAV per Unit+	RO 1.428	RO 0.873

*Rebased to 1000 on June 01, 2004

+ Adjusted for 14% Cash dividend and 14% Stock dividend w.e.f. April 17, 2005

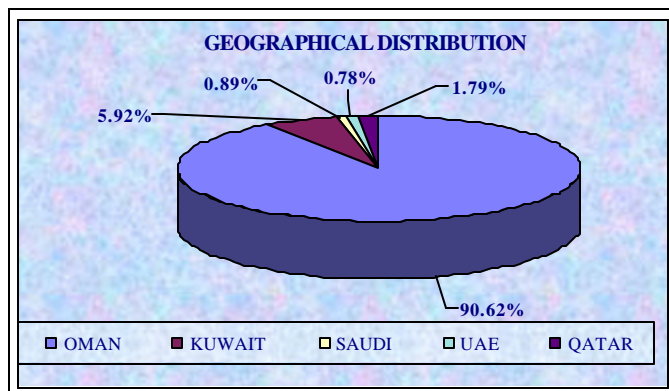
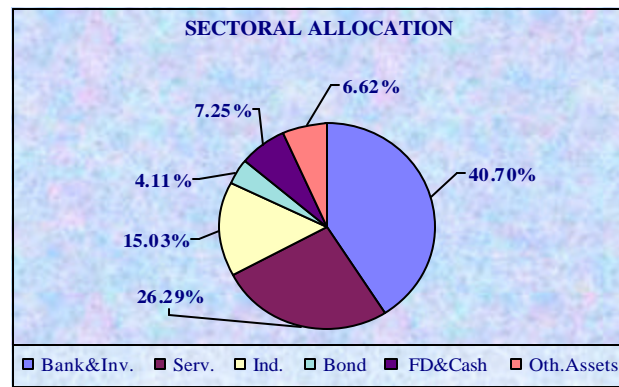
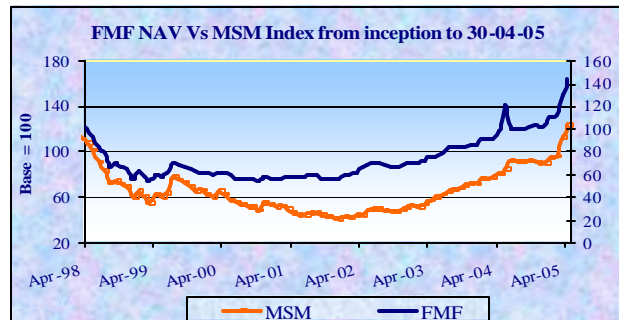
Contact information: Mr. Bharath Rajnarayan – Fund Manager

Email: bharath@gisoman.net Tel: +968 24790 614 Ext – 119

P
E
R
F
O
R
M
A
N
C
E

A
S
S
E
T
S

A
L
L
O
C
A
T
I
O
N



الشركة الخليجية لخدمات الإستثمار (ش.م.ع.)

Gulf Investment Services Co. (S.A.O.G.)