



# The First Mazoon Fund JIA

June 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	8.9%	9.1%
1 year	59.6%	58.4%
3 year	176.5%	190.1%
5 year	256.8%	167.8%
Since inception+	80.5%	44.4%

\* 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 4.03 million
Units outstanding	: 2,517,987
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 1.599
Market Price	: RO 1.510
Last Dealing price/unit	: Bid: RO 1.351 offer: RO 1.405

## Market Review and Outlook

Despite the fact that the OMANTEL IPO was open for subscription the market was buoyant and saw a month to date appreciation of 9.08 per cent. The rally of the month was led by banking sector stocks with specific emphasis on Bank Muscat which announced the possibility of doing a GDR issue in the near future after the regulatory authorities approved the same. The banking index recorded a month to date gain of 10.2 per cent and closed at 7818. The industry index was a laggard as compared to its peers and gained 5.2 per cent to close at 4298 while the service sector index gained more than 8 per cent to settle at 2018. Volumes in market during the month of June were relatively high and averaged in the range of RO5 mn to RO 6 mn per session. With the second quarter results due to be announced we expect some activity in the market. We will continue to take advantage of any dips in the local market for 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 NAV was RO 1.599 at the end of the month and was up 54.1% on YTD basis as against the market's gain of 61.5%. The NAV was up 8.9% for the month as against the index's return of 9.1%. The average NAV during the month was RO 1.551 and average market discount widened to 6.8%. The total number of units redeemed during the month was 200, at a dealing price of RO 1.351.

## TOP 5 Holdings

	%
Bank Muscat	10.85
Oman Cement	10.64
Renaissance Services	9.16
Al Madina Fin & Invest Co	8.27
Ominvest	7.79

52-week	High	Low
MSM 30.Index*	5699.32	3302.36
Market Price +	RO 1.631	RO 0.754
NAV per Unit+	RO 1.630	RO 0.987

\*Rebased to 1000 on June 01, 2004

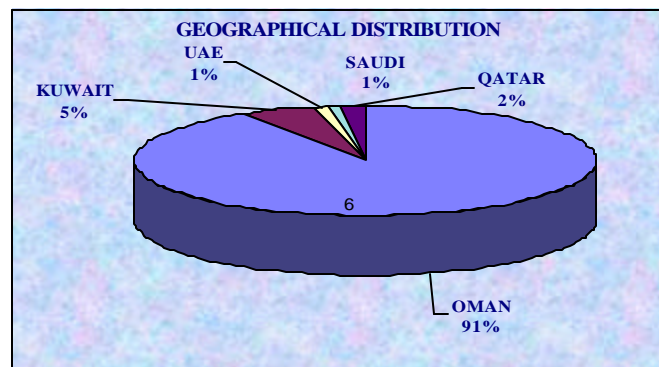
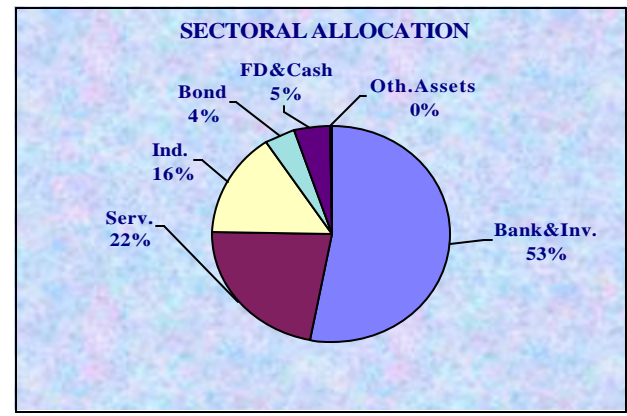
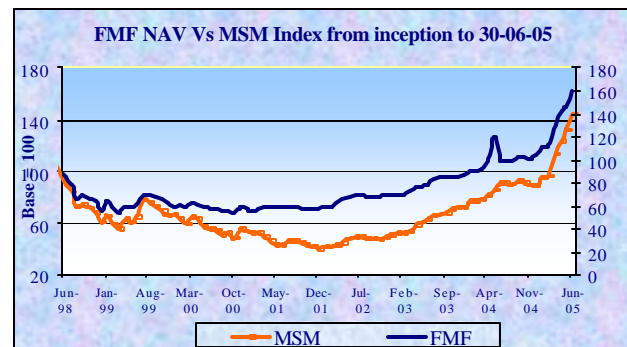
+ Adjusted for 14% Cash dividend and 14% Stock dividend w.e.f. April 17,2005

Contact information: Mr. Sankar Kailasam - Fund Manager  
Email: [Sankar@gisoman.net](mailto:Sankar@gisoman.net) Tel: +968 24790 614 Ext – 120

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