

6/30/2011

NAV (KWD) 0.692

Fund Objective

To achieve good returns for investors by investing its capital in listed or unlisted companies or those companies which will be listed shortly on the Kuwait stock Exchange and the stock exchanges of the Gulf Cooperation Council states, in addition, the fund will invest its excess cash in financial instruments, provided that all business carried on by the Fund conforms to the provisions of the Islamic Sharia as prescribed by the Sharia Supervisory Board, and provided that the fund does not carry on any financing activities or providing credits.

Investment Policy

1. The Fund Manager shall undertake management and investment of the Fund Assets through a staff having the capability and competence to play such role. The said staff shall enjoy the highest degree of independence in taking investment decisions. The Fund Manager shall have all necessary powers to manage and direct its investments in such manner as not to conflict with the provisions of the applicable law, the articles of association of the Fund and the provisions of the Islamic Sharia, provided that investment within the Gulf Cooperation Council States does not exceed 50% of the subscribed capital of the Fund and that the investment percentage in any one company does not exceed
2. The Fund Manager may appoint a representative in management of any part of the Fund investments. The Manager shall bear the fees of the hired persons.
3. The Fund shall adopt a balanced investment policy aiming to achieve appropriate returns on investment. The Manager shall exert maximum efforts to manage the investments of the Fund and try to achieve the best returns possible for the Fund. Neither the Fund Manager nor any of its employees or agents shall be liable in any way whatsoever for any loss or damage suffered by the unit owners unless such loss or damage has arisen from violation of the law and these articles. The Fund manager shall not guarantee any specific profits or returns.
4. Investment in the Fund shall result in the risks linked to the investment markets and instruments to which the Manager directs the Fund investments.
5. The Fund Manager may use Islamic financing instruments in favour of the Fund up to a maximum of 25% of the issued capital to meet the operations of subscription to issued shares or entering into any new investment.

Key Facts

Fund Capital (KD)	KD 5-50 million
Denomination	Kuwaiti Dinar
Date of Inception	11-June-2007
Fund Tenure	5 years, renewable
Valuation	Monthly NAV
Liquidity	Monthly
Management Fees	1.5% of the NAV
Incentive Fees	20% of the profits (If exceeds 10%)
Subscription Fees	2% of nominal value per unit
Redemption Fees	0.5% of the net unit value
Minimum Investment	500 units
Maximum Subscription	50% of the issued units
Fund Manager	Manafae Investment Co.
Shari'a Supervisory Board	Al Rayah International Consulting and Training
Investment Trustee	Boubyan Bank K. S. C.
Geographic Focus	Kuwait & GCC
Investment Focus	listed and unlisted companies
Benchmark	Price & Weighted Indexes of the KSE

The View of the Fund Manager

The view of the fund manager of the market remains cautious, as the market is generally unstable, thus, continuing our strategy seeking opportunities with good potentials to improve performance.

GCC Markets Indicators

Market	12/31/2010	6/30/2011	Change	performance (%)
Abudhabi	2,719.90	2,704.19	(15.7)	-0.58%
Saudi	6,654.40	6,576.00	(78.4)	-1.18%
Qatar	8,681.70	8,334.51	(347.2)	-4.00%
Dubai	1,630.52	1,516.93	(113.6)	-6.97%
Bahrain	1,432.26	1,316.77	(115.5)	-8.06%
Kuwait	6,955.50	6,211.70	(743.8)	-10.69%
Oman	6,754.92	5,916.47	(838.5)	-12.41%

Fund Performance Relative to KSE Indexes

