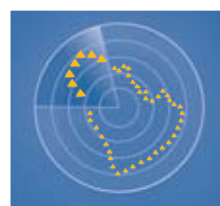


AL AHLI GULF FUND

FACT SHEET - MAY 2012



الصندوق
الأهلي الخليجي
Al Ahli Gulf Fund

Fund objective

To achieve long-term capital appreciation through investing in the shares of companies listed across all GCC exchanges by realizing outstanding investment returns with an acceptable level of investment risk.

Executive summary

Fund type:	Open-ended
Subscription /Redemption:	Monthly
Launch date:	November 2003
Management fees:	1.25%
Incentive fees:	10% over 10% Hurdle
Manager:	Al Ahli Bank of Kuwait
Custodian:	Kuwait Clearing Co.
Nominal price:	KD 1.000 / Unit
Next dealing date:	25 th June 2012
Last dealing price:	KD 0.775045 / Unit

Current performance summary

NAV	May'12	YTD'12
KD 0.775	-4.13%	+1.70%

Monthly performance

Jan'12	Feb'12	Mar'12	Apr'12	May'12	Jun'12
-1.39%	+3.59%	+4.19%	-0.33%	-4.13%	
Jul'12	Aug'12	Sep'12	Oct'12	Nov'12	Dec'12

Historical performance

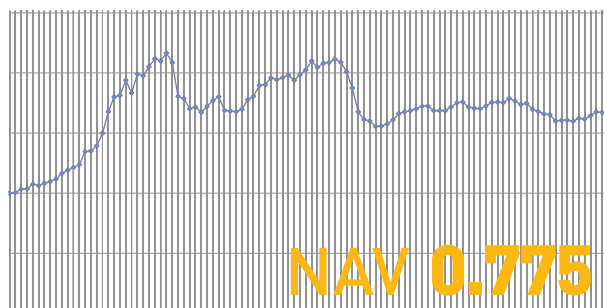
2011	2010	2009	2008	2007	2006	2005	2004	Since Inception
-10.01%	+11.69%	+10.8%	-28.8%	+28.8%	-21.0%	+53.1%	+31.6%	+71.00%

Returns inclusive of dividends / Bonus distributed

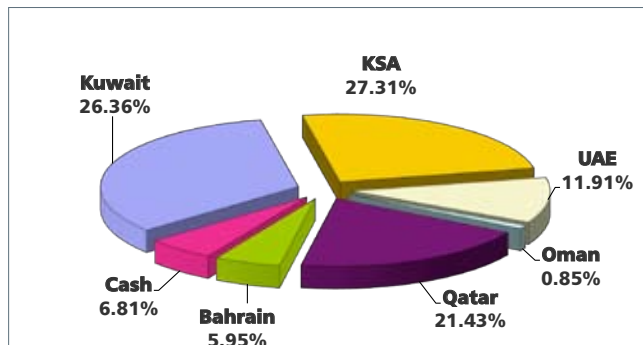
Profits distributed

2004	2005		2006	2007
Cash	Cash	Bonus	Cash	Cash
KD 0.180	KD 0.222	22.3%	KD 0.050	KD 0.130
2009	2010	Since Inception		
Cash	Cash	Cash	Bonus	
KD 0.060	KD 0.070	KD 0.712	22.3%	

Performance chart



GCC market allocation



Country

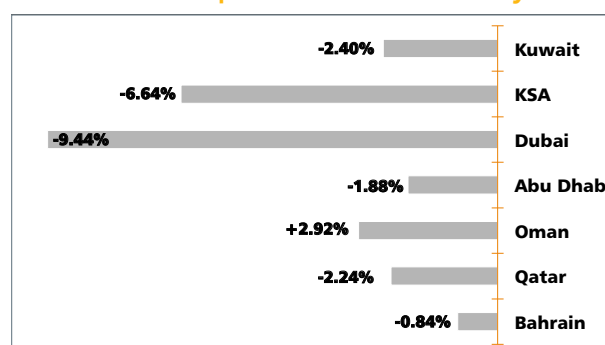
Manager

Kuwait	Ahli Capital Investment Co.
KSA	Sico
UAE	NBAD
Oman	Bank Muscat
Qatar	Sico
Bahrain	Sico

Top 3 positions / market

Kuwait	KSA	UAE
CGC	Sabic	Emaar
MTC (Zain)	Etisalat	NBAD
Aqar	Al Rajhi	ADCB
Oman	Qatar	Bahrain
Bank Muscat	IQ	Batelco
-	QNB	Baraka
-	QTEL	BBK

GCC market performance - May'12



Market review:

All GCC markets had a negative month for May 2012. On the NAV date the KSE was -2.74%, KSA -7.72%, Dubai -9.78%, Abu Dhabi -2.51%, Oman -2.92%, Qatar -1.95%, and Bahrain -1.15%.

GCC Country Highlights in May 2012

Saudi Arabia's GDP grew 5.94% from 2011 in Q1 2012 that marked a minor slowdown from the 6.6% in Q4 2011. The private sector expanded 6.33% in Q1 2012, which grew 4.24%. The oil sector grew 7.17%. Total exports of goods and services jumped 22.94% to 384 billion riyals (\$102 billion) on the back of high oil prices and energy production, while imports increased 16.11% to 182 billion riyals. The price of Brent crude oil was above \$120 a barrel for much of the first quarter. It has since declined to as low as \$95 a barrel this week, suggesting economic growth may slow further later this year.

UAE's inflation reached a nine-month high of 0.8% on annual basis in April, despite the trend of declining prices in Dubai. The cost of housing, which includes rents and utilities, was flat in April after falling over the previous two months.

Qatar's inflation slowed to 1.1% in April from 1.2% in the previous month as rent and energy costs dropped. Official figures from the Qatar Statistics Authority show that rising prices in almost every category of the consumer price index were offset by a 6.2% fall in the cost of rent, fuel and energy which constitutes nearly a third of the overall basket.

Bahrain's oil output is expected to double to 100,000 barrels per day (bpd) from 50,000 bpd currently within five years; at present, 3,600 wells are being drilled in the country. The Bahraini government is making significant investments in the sector, with upgrades of refineries and pipeline networks expected. Bahrain plans to issue bonds worth USD1.25bn with a tenor of 7 to 10 years during the second or third week of June. This may attract international institutional investors that prefer longer-dated securities. Standard Chartered, JP Morgan, Gulf International Bank and Citigroup Inc are mandated to arrange the deal.

Oman recorded a budget surplus of OMR768mn (USD2bn) for the first two months of 2012 (January-February) as robust oil prices boosted revenues. The country posted a surplus of OMR467mn in January. Budget income increased 31% YoY to OMR1.9bn in January-February. Net oil revenues surged 43% to OMR1.5bn. Government spending increased 8% to OMR1.1bn.

In the US, the consumer sentiment index rose to its highest level in four months to 77.8 in May from 76.4 in April due to the fall in the jobless rate to its lowest level in three years and signs of stabilization in the housing market. However, the US manufacturing PMI slid to a three-month low of 53.9 from 56.0 in April due to a slower rise in output, new orders, purchases of inventories and employment compared to the previous month.

In the Eurozone, due to the high political tension, investors are worried that the EU and the IMF could cut off the flow of bailout loans if the new government in Greece fails to fulfill the promises made in the austerity deal. Ratings of major European countries took a hit as Moody's downgraded the long-term debt ratings of 16 Spanish banks by at least one notch due to weak economic conditions and the government's decreased ability to support troubled lenders. In addition, nine financial institutions in Denmark and three in Finland were downgraded. In France, unemployment rose for the 12th consecutive month in April as the number of jobseekers increased by 4,300 to 2.89mn, its highest level since September 1999. All major European indices declined, as DAX, FTSE and CAC lost 7.35%, 7.27% and 6.09% respectively. Hong Kong's Hang Seng lost 11.68% during the month; this was the worst May performance since 1998 and worst monthly performance since September 2011. The losses were mainly due to a report that China has no plans to introduce large-scale stimulus as it did during the global financial crisis. In addition, China's four biggest state-owned commercial banks reported close to zero growth in loans during the first two weeks of May, raising fears of an economic slowdown in the country.

Fund review:

The Al-Ahli Gulf Fund recorded a loss of -4.13% MTD and +1.70% YTD. The S&P GCC Composite Price Index was -5.54% MTD and +4.94% YTD. The Gulf Funds gain since inception stood at +71.00%, the NAV of the fund was KD 0.775045 on the NAV date.

The fund manager has continued to take into account the volatility of the region as a whole in deciding the asset mix while accumulating stocks with operational income and strong fundamentals, this approach in turn is expected to reflect on the Fund's overall future performance. The current GCC allocations remain stable with a selective allocation of Blue Chip stocks across the region. The fund holdings are constantly monitored for the various risk factors by our investment team and appropriate action to rebalance the country allocation, cash percentages, as well as sector allocations is taken when needed.

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