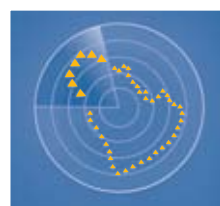


AL AHLI GULF FUND

FACT SHEET - JUNE 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:	30 th July 2012
Last dealing price:	KD 0.755552 / Unit

Current performance summary

NAV	Jun'12	YTD'12
KD 0.756	-2.52%	-0.86%

Monthly performance

Jan'12	Feb'12	Mar'12	Apr'12	May'12	Jun'12
-1.39%	+3.59%	+4.19%	-0.33%	-4.13%	-2.52%
Jul'12	Aug'12	Sep'12	Oct'12	Nov'12	Dec'12

Historical performance

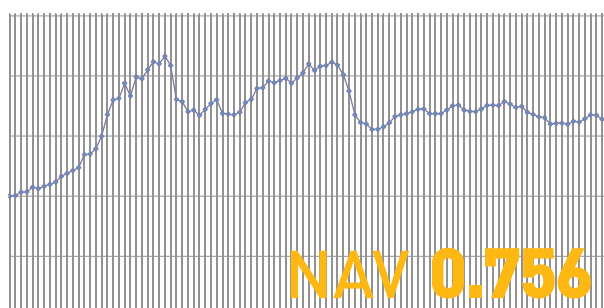
2011	2010	2009	2008	2007	2006	2005	2004	Since Inception
-10.01%	+11.69%	+10.8%	-28.8%	+28.8%	-21.0%	+53.1%	+31.6%	+69.06%

Returns inclusive of dividends / Bonus distributed

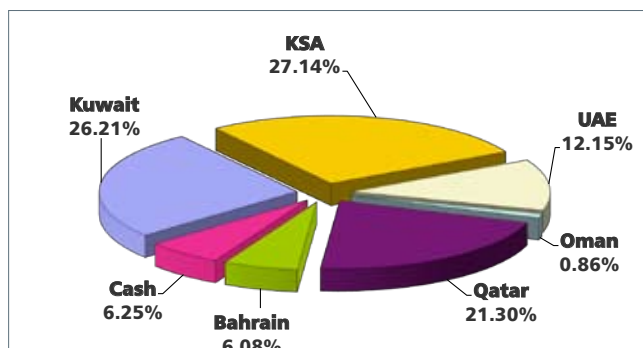
Profits distributed

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

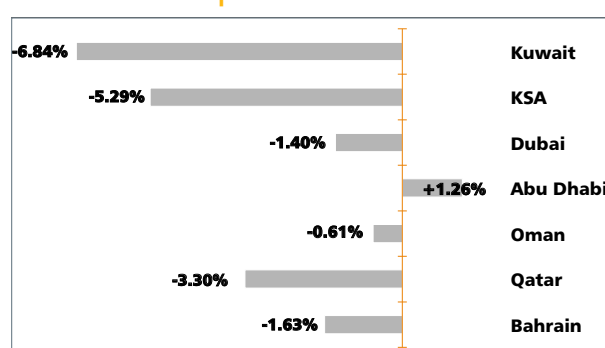
Manager

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

Top 3 positions / market

Kuwait	KSA	UAE
CGC	Sabir	Emaar
MTC (Zain)	Etisalat	NBAD
Aqar	Al Rajhi	ADCB
Oman	Qatar	Bahrain
Bank Muscat	QNB	Baraka
-	IQ	BBK
-	QEWS	Invest corp.

GCC market performance - Jun'12



Market review:

All GCC markets had a negative month for May 2012 except Abu Dhabi. On the NAV date the KSE was -6.84%, KSA -5.29%, Dubai -1.40%, Abu Dhabi +1.26%, Oman -0.61%, Qatar -3.30%, and Bahrain -1.63%.

GCC Country Highlights in June 2012

- Saudi Arabia's GDP grew 5.94% YoY in Q1, 2012. During the quarter, the non-oil private sector expanded 6.33% in real terms, while the oil sector rose 7.17%. According to the IMF, the Saudi economy is expected to grow 6% in 2012. The Eurozone debt crisis and uncertainty in global oil prices are expected to weigh on Saudi Arabia's growth. With slower economic growth in 2012, the fiscal and external surpluses are estimated at around 17% and 27% of the GDP, respectively.
- UAE's economy minister is expecting the country's GDP to expand around 3% in 2012 as against 4.2% in 2011, lower than 3.5-4% growth estimated earlier. The ongoing Eurozone debt crisis and sluggish international growth are primary reasons behind the slower growth.
- Qatar estimated a budget surplus of 23% in 2012-2013 compared to 16% the previous year. The countries revenues are expected to rise 27% and expenditure is likely to jump 28%. Oil prices have been assumed at USD65 per barrel for projecting revenues.
- Bahrain's USD1.5bn, 10-year bond issue, carrying a credit rating of BBB by S&P's and Fitch, was oversubscribed four times. The country's first conventional issue since 2010 was launched at a spread of 437.5 basis points over mid-swaps.
- Oman recorded a budget surplus of OMR1.5bn during January-April 2012. Revenues surged nearly 40% YoY to OMR4.6bn (primarily due to a 35% YoY rise in oil revenues) whereas spending increased 26% YoY. Oman's oil exports to India declined 88% to 1.8mn barrels in Q1, 2012 from 15.1mn barrels in the corresponding period of 2011.
- The US real GDP grew at an annualized rate of 1.9% in Q1, 2012 (3.0% in Q4, 2011). Exports grew 4.2% YoY, while consumer spending, which accounts for over two-thirds of all economic activity, increased 2.5%. Imports surged 2.7% in the first quarter compared to 6.1% in the previous quarter. Meanwhile, Moody's downgraded 15 financial institutions, including Bank of America and Goldman Sachs. The Thomson Reuters/University of Michigan's final reading on the overall index on consumer sentiment fell to the lowest level since December (73.2 in June from 79.3 in May) and short of economist's expectations of 74.1.
- In global markets, Spain and Cyprus became the fourth and fifth of the 17 Eurozone's 17 member states to call for external aid. The European Central Bank (ECB) expects Eurozone's annual real GDP growth to range from 0.5-0.3% in 2012 and 0-2% in 2013. However, markets were cheered by Greece's election results, showing that the pro-bailout New Democratic Party had won the elections. The results eased fears that Greece would exit the Eurozone.

Fund review:

The Al-Ahli Gulf Fund recorded a loss of -2.52% MTD and -0.86% YTD. The S&P GCC Composite Price Index was -4.13% MTD and +0.61% YTD. The Gulf Funds gain since inception stood at +69.06%, the NAV of the fund was KD 0.755552 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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