



Al Ahli Gulf Fund

Al Ahli Gulf Fund FACT SHEET - FEBRUARY 2007

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:	26 th March 2007
Last Dealing Price:	KD 1.073301 / Unit

Current Performance Summary

NAV	Feb'07	YTD'07
KD 1.073	+2.07%	+1.68%

Monthly Performance

Jan'07	Feb'07	Mar'07	Apr'07	May'07	Jun'07
-0.38%	+2.07%				
Jul'07	Aug'07	Sep'07	Oct'07	Nov'07	Dec'07

Historical Performance

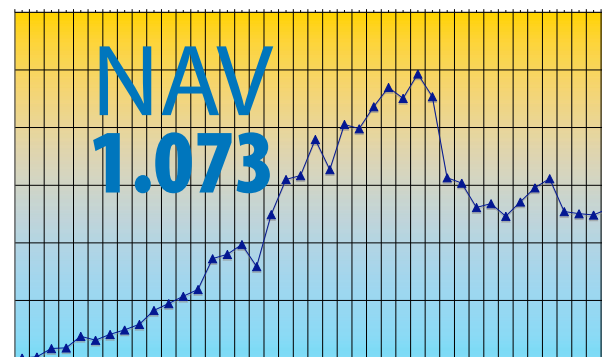
2006	2005 ⁽¹⁾	2004	Since Inception ⁽²⁾
-21.0%	+53.05%	+31.6%	+69.83%

(1) Inclusive of 2005 dividends distributed during 2006 (2) Inclusive of dividends distributed since inception

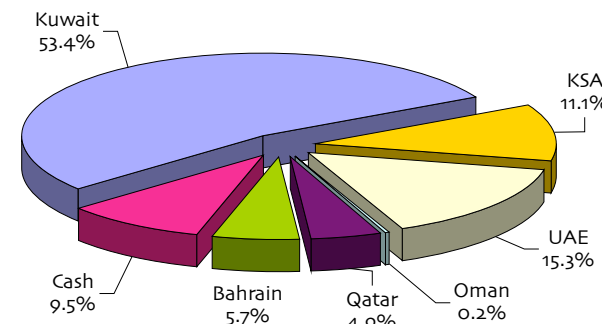
Profits Distributed

2004		2005		Since Inception	
Cash		Cash	Bonus	Cash	Bonus
KD 0.180		KD 0.222	22.3%	KD 0.402	22.3%

Performance Chart



GCC Market Allocations



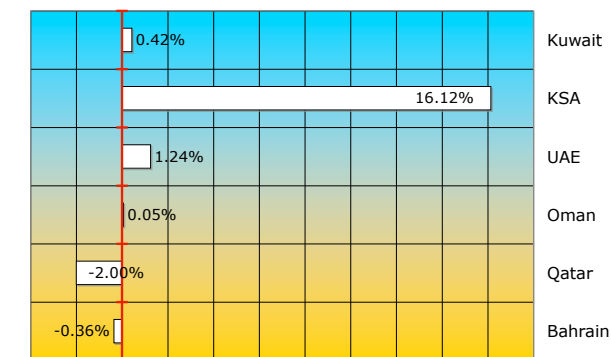
Country Manager

Country	Manager
Kuwait	Al Ahli Bank of Kuwait
KSA	Saudi British Bank
UAE	NBAD/Shuaa Capital
Oman	Bank Muscat
Qatar	Shuaa Capital/Taib
Bahrain	Taib Bank

Top 3 Positions / Market

Kuwait	KSA	UAE
KFH	SABIC	NBAD
CBK	MCI	Etisalat
MTC	STC	Emaar
Oman	Qatar	Bahrain
NBO	Indust. Qatar	AUB
-	Qatar Telecom	NBB
-	QNB	BBK

GCC Market Performances - Feb'07



GCC Review

Most of the GCC region's equity markets rallied during February, led by Saudi Arabia which gained +16% followed by Abu Dhabi +3.71%, Dubai +1.28%, Kuwait by +0.42% and Oman by +0.05%. Part of the increase was seasonal, driven by profit announcements & dividend distribution. Furthermore, the steep declines of 2006 have resulted in more attractive valuations for selective stocks across the GCC markets. On the other hand Qatar and Bahrain witnessed a decline for the month -2% and -0.36% respectively. Investors in Qatar appear to be dissatisfied with the profit distributions, and this is reflected in the share prices.

Fund Review

Al-Ahli Gulf Fund recorded a NAV of 1.073 for the month of February with a return of +69.83% since inception, and a gain of 2.07% on month-to-month basis, due to the increase in 5 out of 7 GCC markets.

The fund asset allocation in the GCC markets is as follows: Kuwait 53.37%, UAE (Abu Dhabi & Dubai) 15.27%, Saudi 11.11.6%, Bahrain 5.7%, Qatar 4.92% and Oman 0.15%. The fund finished the month with 9.48% in cash.

The fund management team still believes that selected sectors and stocks in the GCC markets present a good case for stock accumulation. Moreover, the GCC markets are expected to consolidate during the second quarter of 2007 as investor expectations start to moderate and valuations appear more reasonable since corporate earnings growth is likely to remain on track. However, political tensions in the region will continue to remain a concern.

