

Al Ahli Gulf Fund

FACT SHEET - JANUARY 2006



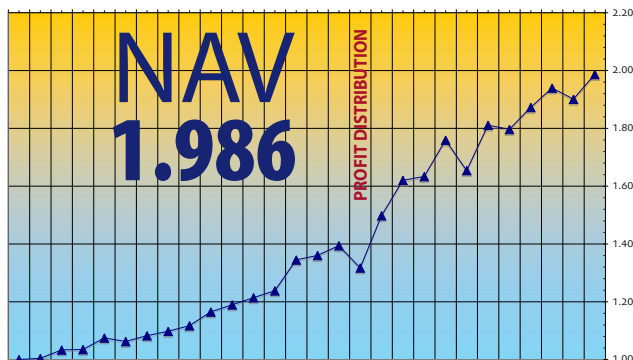
Al Ahli
Gulf Fund

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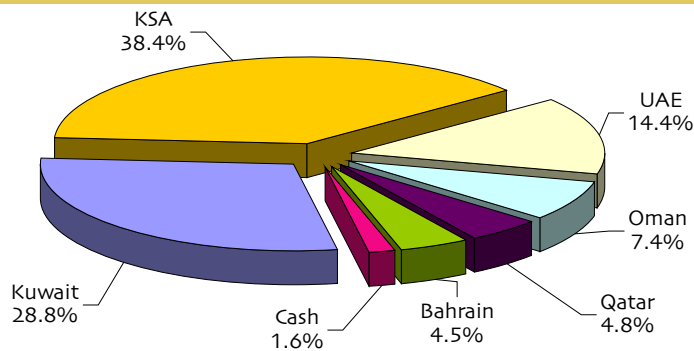
Fund Objective

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.

Performance Chart



GCC Market Allocations



Performance Summary

NAV	Jan'06	YTD'06	2005 ⁽¹⁾	2004	Since Inception ⁽²⁾
KD 1.986	+4.46%	+4.46%	+53.05%	+31.6%	+116.56%

(1) Inclusive of 2004 dividends distributed during 2005 (2) Inclusive of dividends distributed since inception

Monthly Performance

Jan'06	Feb'06	Mar'06	Apr'06	May'06	Jun'06
+4.46%					
Jul'06	Aug'06	Sep'06	Oct'06	Nov'06	Dec'06

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:	27 th February 2006				
Last Dealing Price:	KD 1.985621 / Unit				
Dividends distributed:	<table border="1"> <thead> <tr> <th>2004</th> <th>Since Inception</th> </tr> </thead> <tbody> <tr> <td>KD 0.180</td> <td>KD 0.180</td> </tr> </tbody> </table>	2004	Since Inception	KD 0.180	KD 0.180
2004	Since Inception				
KD 0.180	KD 0.180				

Country Manager Market Per.

Country	Manager	Market Per.	
		MTD	YTD
Kuwait	Al Ahli Bank of Kuwait	+3.59%	+3.59%
KSA	Saudi British Bank	+12.61%	+12.61%
UAE	NBAD/Shuaa Capital	-0.20%	-0.20%
Oman	Bank Muscat	+11.72%	+11.72%
Qatar	Shuaa Capital/Taib	-4.77%	-4.77%
Bahrain	Taib Bank	+6.76%	+6.76%

Top 3 Positions / Market

Kuwait	KSA	UAE
MTC	SABIC	ETISALAT
PWC	STC	Emaar
KFH	Al Rajhi	NBAD
Oman	Qatar	Bahrain
Bank Muscat	Indust. Qat.	BCFC
NBO	QNB	AUB
OIB	Qatar Telecom	NBB

GCC Market Review

January witnessed 4 of the 6 GCC markets returning positive performance with both the Saudi & Omani stock markets outperforming all the other markets. The Qatari & the UAE markets witnessed selling pressures in their respective Services & Industrial sectors with Qatar being the worst performer reducing by approx. 5% as of 31-Jan-06.

The month continued to witness the respective stock indices of Saudi (TASI), & Kuwait (KSE) reaching new heights. This further boosted the GCC market capitalization by approx. 9% to approx. US\$ 1.2 trillion.

Going forward, we believe that the GCC markets would continue its present bull run on the back of continuing high oil prices; huge liquidity; redirection of funds in to the GCC markets; increasing Foreign Direct Investments; ever increasing budget surplus prompting increasing local Governments expenditures.

Fund Review

January saw the Fund's performance increasing by a healthy 5% further increasing its strong returns since inception to approx. 117%. The fund's exposure to UAE & Qatar reduced slightly due to the correction witnessed in these markets. However, the Fund's exposure to all the other markets witnessed good positive performance.

During the month, we continued to increase our exposure to the undervalued Kuwaiti market, while maintaining the allocation to the other markets.

Overall, we are of the opinion that the Fund's present GCC allocations are optimal to derive maximum benefits from the ongoing bullish environment that is currently being witnessed in the GCC markets.