



Al Ahli Gulf Fund

Al Ahli Gulf Fund

FACT SHEET - NOVEMBER 2006

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 December 2006
Last Dealing Price:	KD 1.063195 / Unit

Current Performance Summary

NAV	Nov'06	YTD'06
KD 1.063	-9.73%	-20.6%

Monthly Performance

Jan'06	Feb'06	Mar'06	Apr'06	May'06	Jun'06
+4.46%	-3.98%	-14.74%	-1.14%	-7.36%	+1.35%
Jul'06	Aug'06	Sep'06	Oct'06	Nov'06	Dec'06
-4.0%	+4.77%	+4.4%	+2.80%	-9.73%	

Historical Performance

2005 ⁽¹⁾	2004	Since Inception ⁽²⁾
+53.05%	+31.6%	+68%

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

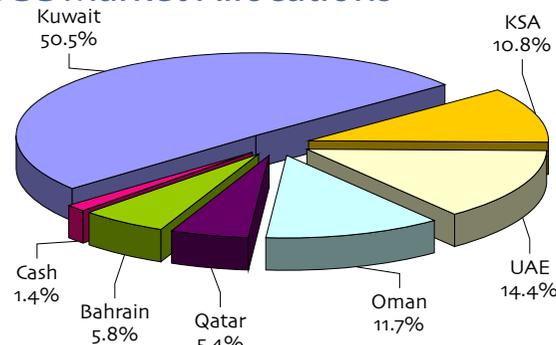
Profits Distributed

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

Performance Chart



GCC Market Allocations



Country

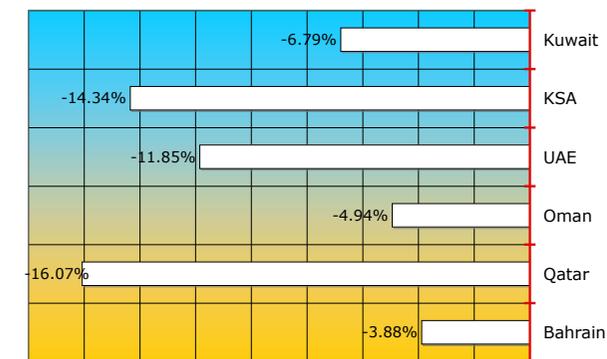
Country	Manager
Kuwait	Al Ahli Bank of Kuwait
KSA	Saudi British Bank
UAE	NBAD/Shuaa Capital
Oman	Bank Muscat
Qatar	Shuaa Capital/Taib
Bahrain	Taib Bank

Manager

Top 3 Positions / Market

Kuwait	KSA	UAE
KFH	SABIC	Emaar
CBK	MCI	Etisalat
NMTC	STC	Arabtec
Oman	Qatar	Bahrain
Bank Muscat	Indust. Qatar	AUB
NBO	QNB	NBB
Ray. Cement	Qatar Telecom	GFH

GCC Market Performances - Nov'06



GCC Review

For the month of November, the GCC markets were deep in the red. In Kuwait, the news of cancelled government contracts combined with the issues of disclosure violations worried the investors and pushed the market down to the low levels of August. In other GCC markets, trading was based on speculation and lack of confidence. Most GCC markets indexes closed the month at the lows for the year, with investors still waiting for any sign of good news.

The GCC markets fell month-over-month ending November 2006 as follows: Qatar-16.07%, Saudi-14.34 %, UAE -11.85%, Kuwait -6.79%, Oman -4.94% and Bahrain -3.88% respectively.

Fund Review

During the month of November, the net asset value of the fund decreased by 9.6% in comparison to the previous month, due to the downtrend of all GCC markets. Our exposure in Kuwait was affected in line with the market due to several legal and business issues concerning a few listed companies, which adversely reflected on the general sentiment of most stocks, including blue chips.

The funds management team is confident that given the stable Q306 corporate profit announcements, the companies which are represented in the fund holding have strong underlying fundamentals, which would mean that over a longer holding period, the fund would benefit once the dark clouds representing the current uncertain investment climate clears away.

Regional geopolitical issues may lead to dampening of investors' confidence further in the short term, which, if it materializes, could show up as relatively weak fund performance in the near term. Additionally, the Kuwait market despite doing well on corporate profit announcements and strong economic indicators may also suffer further in the short term. Looking forward to 2007, the strong fundamentals, particularly in Kuwait suggest a brighter picture than witnessed so far in 2006.

