



Al Ahli Kuwaiti Fund

Al Ahli Kuwaiti Fund FACT SHEET - AUGUST 2006

Fund Objective

To achieve capital growth through investing in the shares of companies registered at the Kuwait Stock Exchange by realizing outstanding investment returns above the market average with an acceptable level of investment risk.

Executive Summary

Fund Type:	Open-ended
Subscription /Redemption:	Monthly
Launch Date:	February 2003
Management Fees:	1.50%
Manager:	Al Ahli Bank of Kuwait
Custodian:	Kuwait Clearing Co.
Nominal Price:	KD 1.000 / Unit
Next Dealing Date:	27 th September 2006
Last Dealing Price:	KD 1.2332 / Unit

Current Performance Summary

NAV	Aug'06	YTD'06
KD 1.1944	+3.24%	-19.68%

Monthly Performance

Jan'06	Feb'06	Mar'06	Apr'06	May'06	Jun'06
+2.05%	-6.39%	-15.2%	+2.86%	-3.59%	-0.64%

Jul'06	Aug'06	Sep'06	Oct'06	Nov'06	Dec'06
-3.33%	+3.24				

Historical Performance

2005 ⁽¹⁾	2004	2003	Since Inception ⁽²⁾
+57.48%	+2.7%	+37.8%	+75.42%

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

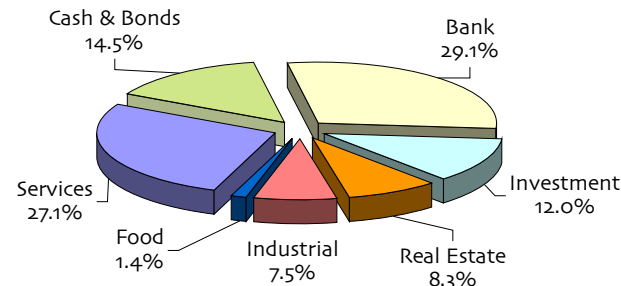
Fund Top 5 Positions

1	MTC
2	PWC
3	Kuwait Finance House
4	Burgan Bank
5	Commercial Bank of Kuwait

Performance Chart Since Inception



Sector Allocations



Profits Distributed

2003	2004	2005	Since Inception
Cash	Cash	Cash	Bonus
KD 0.190	KD 0.070	KD 0.105	15.6%
			Cash
			KD 0.365
			Bonus
			15.6%

Fund Performance Analysis

Best Month Performance	+17.5%
Worst Month Performance	-15.2%
No. of Up Months	31
No. of Down Months	12
Average Monthly Gain	1.75%

GCC Market Performance

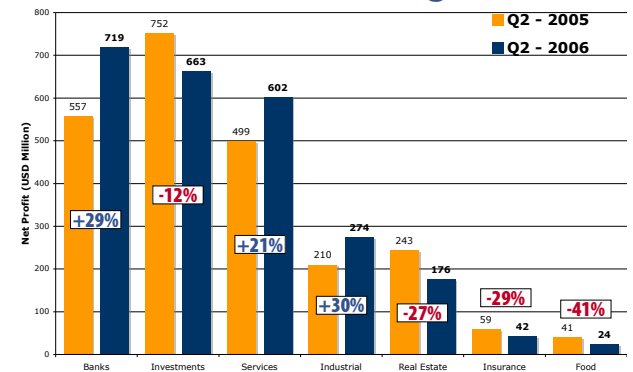
	MTD	YTD
Kuwait	+2.58%	-15.51%
KSA	+2.43%	-33.51%
UAE	+9.43%	-29.67%
Oman	+7.36%	+4.10%
Qatar	-1.78%	-29.75%
Bahrain	+5.98%	-0.67%

Market Review

The KSE showed stellar performance during the month with the index moving up by 2.58%. The sentiment turned positive as investor's participation in the market improved on account of regional stability and end of the holiday season. Across the sectors the Real Estate was the best performer, recording 6.68% for the month of August, while the Food Sector was the worst performer recording -1.99%.

All the listed companies have reported their earnings for the second quarter of 2006. Total net profit for 150 companies reached USD2.5billion during the second quarter growing 5.9% compared to the same period last year. The Banking sector came in first with the highest growth in total net profits recording 29% while the Food sector recorded the highest decline in profits reaching -41% compared to the same period last year.

Second Quarter Earnings - Sectors



Fund Review

The portfolio has been maintaining overweight position in the Banking, Services, and Industrial sector and it has benefited in terms of better portfolio performance during last month. The Fund's performance which registered a growth of +3.24%, managed to correlate with the KIC index, which registered a growth of +3.60% for the month of August.

Overall, we continue to believe that the Fund's conservative strategy has positively benefited the portfolio performance. The Fund is well poised to benefit the maximum as the Kuwait market continues to rebound into positive territory.

