

# Al Ahli Kuwaiti Fund

## FACT SHEET - MARCH 2006



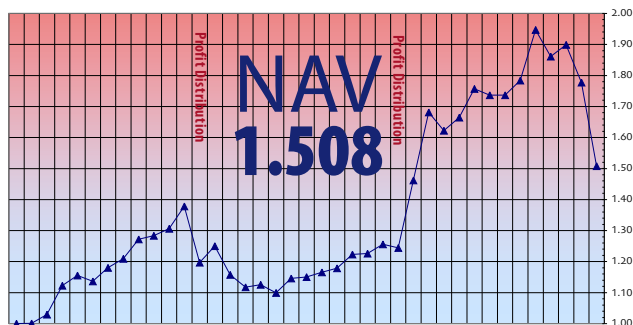
Al Ahli  
Kuwaiti Fund

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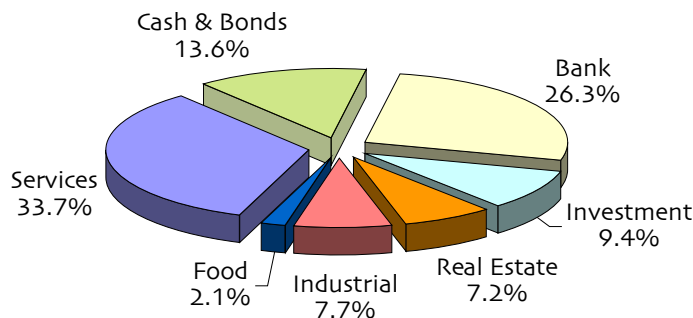
### Fund Objective

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.

### Performance Chart



### Sector Allocation



### Performance Summary

	NAV	Mar'06	YTD'06	2005	2004	2003 (11Months)	Since Inception
<b>Fund</b>	KD 1.508	-15.2%	-19.54%	+57.48% <sup>(1)</sup>	+3.2%	+37.8%	+88.52% <sup>(2)</sup>
<b>KIC (Kuwaiti Cos.) Index</b>		-12%	-14%	+66.04%			

(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	Jul'06	Aug'06	Sept'06	Oct'06	Nov'06	Dec'06
+2.05%	-6.39%	-15.2%									

### Executive Summary

Fund Type:	Open-ended						
Subscription /Redemption:	Monthly						
Launch Date:	1 <sup>st</sup> February 2003						
Management Fees:	1.50%						
Manager:	Al Ahli Bank of Kuwait						
Custodian:	Kuwait Clearing Co.						
Next Dealing Date:	26 <sup>th</sup> April 2006						
Last Dealing Price:	KD 1.507563 / Unit						
Dividends distributed:	<table border="1"> <thead> <tr> <th>2003</th> <th>2004</th> <th>Since Inception</th> </tr> </thead> <tbody> <tr> <td>KD 0.190</td> <td>KD 0.070</td> <td>KD 0.260</td> </tr> </tbody> </table>	2003	2004	Since Inception	KD 0.190	KD 0.070	KD 0.260
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### Top 5 Positions

- 1- MTC
- 2- PWC
- 3- Kuwait Finance House
- 4- CBK
- 5- NBK

### Performance Analysis

Best Month:	17.5%
Worst Month:	-15.2%
No. of Up Months:	29
No. of Down Months:	9
Average Monthly Gain:	1.3%

### Market Background

The selling spree in the Kuwaiti market continued during the month of March. Even the excellent 2005 corporate earnings numbers and the prevailing high oil prices could not save the market tumbling for the second consecutive month as investors engaged in heavy profit-taking. KSE index dropped below the psychological 10,000-point mark for the first time in last six months and ended at 9,817.70 points in March, down 14.95%. Overall, the index reported YTD loss of 14.22% at the end of March-2006.

The KIC index (Kuwaiti Companies) also declined by approx -12% (Fund -15.2%), during the month, bringing its YTD-06 performance to negative 14% (Fund -19.5%). The total market capitalization as of 27-Mar-06 stood at KD36.93bn.

During the month, the newsmakers included: The Investment Dar (TID) to establish new Islamic investment company in Saudi Arabia with a capital of SR600mn (\$160 million). TID to establish Syria's first Islamic bank in cooperation with Kuwaiti, Saudi and Syrian investors during the year 2006. Jeeran Holding Company was listed under the service sector, which increased the total number of listed companies to 161. So far, 3 new companies have been added to the market in 2006.

However, despite the weakness in the market, the biggest gainers during the month were Al-Madar Finance and Investment Company (+31.3%), followed by Transport and Warehousing Group (+21.0%). The biggest losers during the month were International Investment Group (-49%), followed by Grand Real Estate Co. (-46.2%).

### Fund Review

The correction in the Kuwaiti market was reflected in the fund's performance for the month of March. The portfolio witnessed corrections in the Services and Investment sectors. The Fund strategy has adopted a conservative approach, focusing on operational companies across all sectors. Building a strong structure, the Fund expects to capitalize on the correction in the market in an effort to maximize return once the market rebounds. As a result, the Fund's performance, which registered -15.2% for March, managed to correlate with the KIC index registering -12%.

Overall, we continue to believe that the Fund's portfolio is well poised to benefit the maximum once the Kuwaiti market rebounds into positive territory.