



Al Ahli Kuwaiti Fund

Al Ahli Kuwaiti Fund FACT SHEET - OCTOBER 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:	29 th November 2006
Last Dealing Price:	KD 1.421025 / Unit

Current Performance Summary

NAV	Oct'06	YTD'06
KD 1.421	+8.74%	-9.58%

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%	+6.0%	+8.74%		

Historical Performance

2005 ⁽¹⁾	2004	2003	Since Inception ⁽²⁾
+57.48%	+2.7%	+37.8%	+94.2%

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

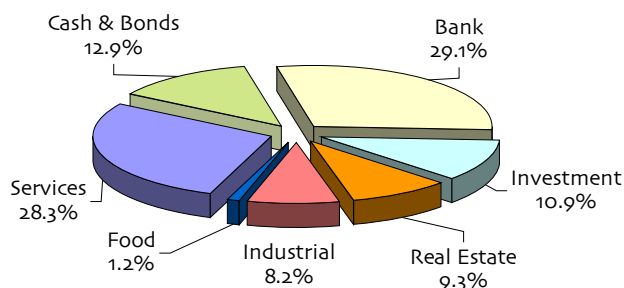
Profits Distributed

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

Performance Chart Since Inception



Sector Allocations



Fund Top 5 Positions

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

Fund Performance Analysis

Best Month Performance	+17.5%
Worst Month Performance	-15.2%
No. of Up Months	33
No. of Down Months	12
Average Monthly Gain	2.09%

GCC Market Performance

	MTD	YTD
Kuwait	+2.88%	-8.56%
KSA	-14.83%	-41.85%
UAE (NBAD)	-3.75%	-32.42%
Oman	+5.60%	+17.97%
Qatar	-4.43%	-34.99%
Bahrain	+0.17%	+1.58%

Market Review

The KSE showed an increase in all the market sector indices for the month of October, being the holy month of Ramadan. The Price & Weighted index ended October gaining 2.9% & 5.9% respectively as compared to September month closing. The market cap closed at KD 44.9 billion, gaining 6.3% since September.

This reflects over the markets movements showing an increase in the trading activity with most companies specially the large cap. This explains why the weighted index increased by double that of the price index on a percentage basis, as the investors started building up their positions based on the 3rdQtr results which started with strong profit announcements from the banking sector.

Fund Review

During October, the fund accomplished an excellent performance where the NAV increased by 8.7% as compared to September, due to the blue chips selective stock present in the ABK Fund portfolio. Significantly, the positive growth was also due to the concentration of the fund in the banking and service sector, which improved due to the announcements of great operational profit for the 3rd Qtr.

The fund team continues to believe that the market would reward the blue chip companies, which have great operational earnings and that would reflect on the fund overall return.

