

Horizon Fund

December 2011

Inception Date: March 1, 2005

NAV December 31, 2011 : JOD 85.381

Monthly Return : 0.81%

YTD Return : -09.73%

Return since Inception : -14.62%

Fund Description

Investment Objective: The fund aims to achieve a long term capital appreciation of the Net Asset Value (NAV) of the fund through maximizing the market value of its investment in various asset classes on Local, Regional and Global basis while minimizing investment risk.

Investment Style: Long only.

Asset Allocation: The fund aims at reducing the investment risk and minimizing the effect of fluctuations in capital markets by balancing the portfolio and allocating the assets to different assets classes, ie.equity, fixed income and money market instrument.

Fund Key Facts

Fund Structure: Open-ended Mutual Fund
Currency: Jordanian Dinar
Par Value: JOD 100
Minimum Subscription: 10 Units
Management Fee: 1% per annum
Performance Fee: 20.0% on returns above 8% PA
Trustee Fee: 0.25% per annum
Subscription/Redemption: 2 working days prior to a Valuation Day
Valuation Day: Bi-Monthly
Investment Manager: Capital Bank of Jordan.
Investment Trustee: Jordan Kuwait Bank
Auditor: Ernst & Young

Commentary

First we would like to wish you a happy, prosperous and peaceful New Year.

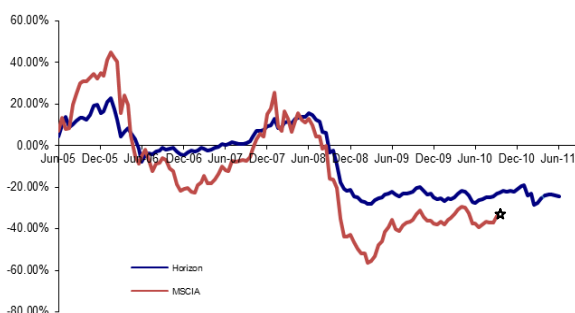
Horizon Fund ended the month with a modest increase of 0.81% folding 2011 with a negative year-to-date return of 9.73%, reflecting the on-going impact of the regional and global financial crises, natural disasters and political turmoil, mainly related to the events of the Arab Spring, the US credit rating downgrade, European debt crises, and the effects of the Japan earthquake.

The Fund continued its conservative reallocation by shifting towards larger exposures to money market and fixed income securities through further investments in Jordanian treasury bonds with an average Yield to maturity of 6%, current weight of Money market and fixed income securities constitute 79.27% of the fund, meanwhile, shifting towards larger exposure to high dividend paying equities.

Horizon will maintain its conservative strategy to balance risk and return as we believe volatile economic and political conditions will persist during the first half of 2012 with anaemic growth prospects.

Market	Monthly Return
Saudi Arabia	5.14 %
Qatar	2.17 %
Kuwait	0.04 %
Bahrain	-1.67 %
Oman	5.07 %
Dubai	-1.85 %
Abu Dhabi	-1.74 %
Jordan	1.57 %
Egypt	-10.28 %

Cumulative Performance



★MSCIA was discontinued in September 2010

Performance Summary

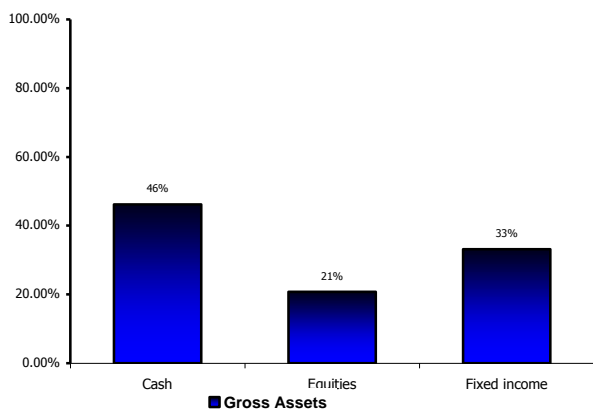
	Fund
1-month return	0.81 %
3-month return	1.23 %
12-month return	-9.73 %
Return since inception	-14.62 %
Annualized Return Since Inception	-2.28 %
YTD	-9.73 %

Historical Monthly Returns

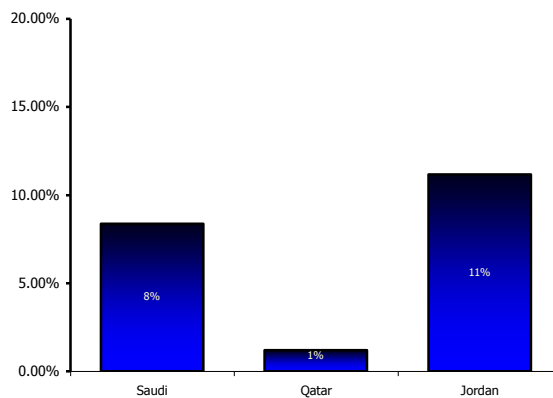
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-4.69%	-5.88%	4.59%	2.52%	-0.62%	-1.14%	0.36%	-3.32%	-1.55%	1.66%	-1.22%	0.81%	-9.73%
2010	-1.09%	0.70%	3.76%	1.49%	-6.64%	1.33%	1.65%	0.93%	2.36%	0.30%	0.25%	3.42%	8.35%
2009	-3.29%	-1.48%	2.00%	2.15%	2.44%	-0.83%	0.48%	1.15%	2.46%	-1.45%	-1.84%	-3.35%	-1.79%
2008	-1.07%	2.31%	-0.38%	2.51%	0.12%	0.77%	-2.40%	-4.81%	-8.03%	-15.81%	-5.15%	-3.08%	-31.04%
2007	0.73%	1.70%	-1.16%	1.03%	1.81%	0.19%	0.44%	-0.55%	1.52%	4.67%	0.61%	2.01%	13.67%
2006	5.44%	-8.31%	-5.18%	-0.48%	-7.01%	-3.41%	0.67%	1.61%	0.66%	0.84%	-3.32%	0.92%	-16.99%
2005			5.56%	9.60%	1.42%	9.96%	-1.14%	3.18%	0.96%	1.39%	4.27%	-2.72	36.62%

Asset Allocation

Asset Classes as % of the Fund



Geographical Equity Allocation % of the Fund



Sector Allocation % of the Fund

Sector	% of the Fund
Banks	10.12 %
Industrials	10.14 %
Telecom	4.33 %
Real Estate	5.94 %
Utilities	10.03 %

Currency Exposure

Currency	Long
JOD	79.45 %
USD	11.00 %
SAR	8.37 %
QAR	1.19 %

Top 3 Exposures

Name	% of the Fund	Country
Jordan Phosphate Mines	5.08 %	Jordan
Etthad Etisalat	4.33 %	Saudi
Al-Rajhi Bank	4.04 %	Saudi

Fund Directory:

Investment Manager

Capital Bank of Jordan
Tel: +962 6 5100200

Fund Trustee

Jordan Kuwait Bank
Tel: +962 6 5629400

Fund Auditor

Ernst & Young
Tel: +962 6 5526111

DISCLAIMER: Investing in the fund entails risks associated with investments in financial securities and emerging markets, including the risk of sharp fluctuations of currencies and securities. These investment risks could affect the fund's Net Asset Value. The fund does not provide any type of return or capital guarantee. Past performance is not an indication of future performance. Prospective investors in the fund must obtain and read the fund's prospectus prior to making an investment in the fund.