

Horizon Fund

February, 2012

Inception Date: March 1st, 2005

NAV February 29, 2012 86.383
Monthly Return: 0.84%
YTD Return: 1.17%
Return Since Inception: -13.62%

Fund Description

Investment Objectives: The fund aims to achieve a long term capital appreciation of the Net Asset Value (NAV) through maximizing the market value of its investments 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 asset classes, i.e. equity, fixed income and money market instruments.

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% on returns above 8% per annum
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

Horizon Fund has recorded an increase for the third consecutive month ending February with a NAV of JD 86.383, calculating into a year- to- date appreciation of 1.17%, driven by recent confidence in Capital markets and positive investment sentiment in the region. Furthermore, fund's policy to tilt towards fixed income securities have been supported by recent views of further budget deficits and recent hikes in lending rates in the local banking sector, as a result of the recent 50 basis point increase in policy rate announced by the Central Bank of Jordan, leading to further yield increase in recent issuances of treasury bonds and bills.

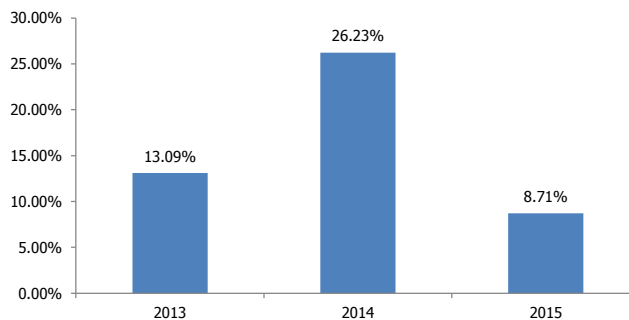
We managed to generate Alpha by being well positioned in stocks with strong cash flow generation accompanied with steady distribution policy, our top holding was Etihad Etisalat with a weight of 5% of the funds asset, the share price surged by 7.30%, backed by the announcement to distribute dividends of SAR 2, in addition to its decision to alter its distribution policy to quarterly instead of semi-annual.

Despite recent surges in capital markets, we believe regional and local markets to remain volatile amid economic uncertainty; with above signs validating further investments in treasuries to exploit recent hikes in yields while minimizing exposure risk and stabilizing the performance of the fund.

Key Metrics

1-Month Return	0.84%
3-Month Return	1.99%
YTD Return	1.17%
Since Inception Return (SIR)	-13.62%
Annualized SIR	-2.07%

Fixed Income Maturity Profile



Historical Monthly Return

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2012	0.33%	0.84%											1.17%
2011	-5.89%	-5.88%	4.59%	2.52%	-0.62%	-1.14%	0.36%	-3.32%	-1.55%	1.66%	-1.22%	0.81%	-9.68%
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%

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.

Horizon Fund

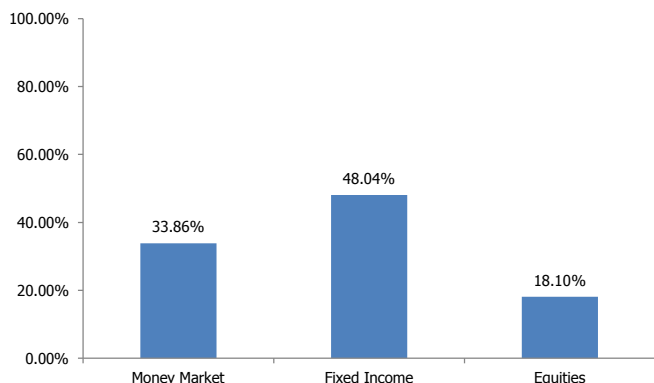
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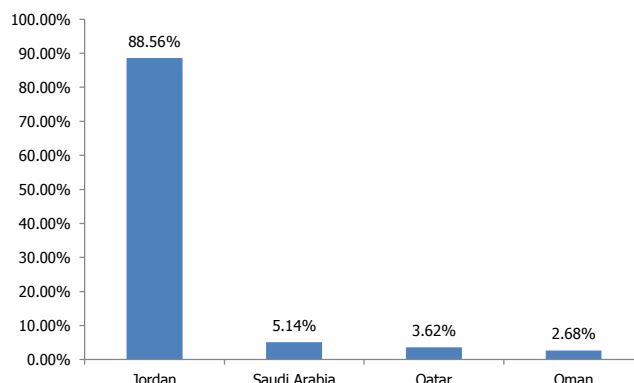
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Asset Allocation

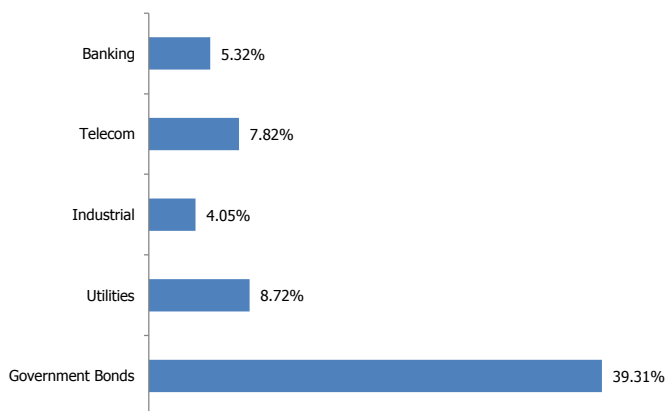
Asset Classes as % of Total Asset



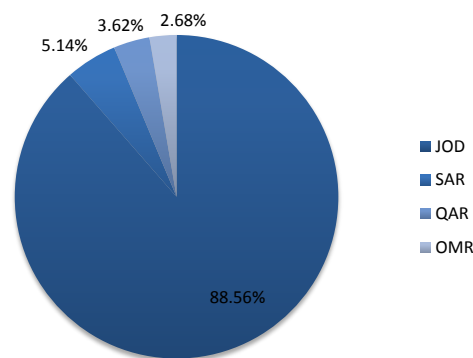
Fund's Geographical Allocation as % of Total Asset



Sector Allocation % of Total Asset



Currency Exposure



Top 3 Equity Holdings

Name	% of Total Asset	Country
Ettihad Etisalat	5.14%	Saudi Arabia
Jordan Phosphate Mines	3.29%	Jordan
Bank of Jordan	2.13%	Jordan

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

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