



## Fund Overview

The Fund is shaped to procure long-term capital gains through investment in a concentrated Islamic compliant portfolio of GCC equities.

Gulf Investment Corporation, the Investment Manager, is an experienced GCC investor and pursues an active management strategy of 'Growth at Reasonable Price'. The Fund Management team is competently supported by a team of dedicated GCC research analysts.

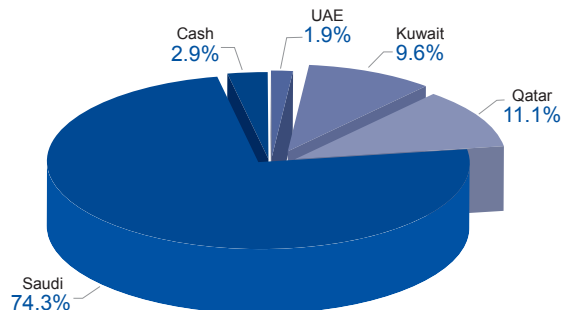
The Fund is tailored to provide un-benchmarked absolute return.

## Portfolio Structure

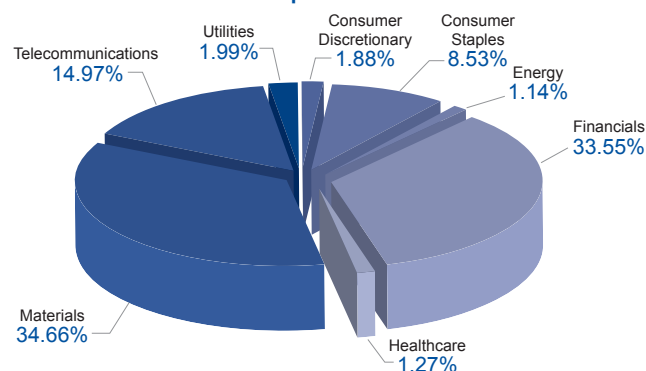
Fund Size : \$ 10.6 MM

Number of Holdings : 22

### Country Allocation as of 30th April 2012



### Sector Allocation as of 30th April 2012



## Monthly Performance

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2008		3.31	0.28	7.92	3.49	2.69	3.38	-10.32	-14.20	-31.11	-10.03	-8.02	-49.67
2009	-9.39	-0.94	3.73	21.27	18.98	-3.44	-0.02*	2.04	4.22	-2.10	-3.51	-2.70	24.57
2010	-1.25	1.40	9.44	0.13	-8.33	-2.17	2.55	-2.04	5.00	1.30	0.06	3.40	8.77
2011	-4.70	-5.01	7.91	3.46	-1.97	-1.18	-0.32	-5.44	0.07	0.60	-1.22	4.46	-4.14
2012	0.72	5.01	4.92	-1.08									9.77

## Market Review

GCC markets continued their commendable performances in the month of March as strong oil prices and a continued US recovery have rallied markets worldwide. Recent housing data coming from the US has fallen below analyst expectations, but investors still believe the world's largest economy is well on track to recuperate in the near future. Across the Atlantic, the news emanating from Europe has been more positive as European governments created a new fund named the ESM to support the peripheral nations of Ireland, Portugal and Greece. This has taken the amount held in the ESM and EFSF to a combined worth of over USD 1 trillion. Moreover, Spain has announced new austerity measures meaning cuts of EUR 27bn in its public sector. The EU is still forecast to endure a mild recession during the year, but it finally seems as if European policy-makers are getting their act together to shore up the continent's fiscal woes.

The US continues to lead the way in the global economic recovery in the midst of an election year. The nation continues to generate jobs as the unemployment rate falls slowly but gradually even though recent housing data has not been as encouraging as forecasted. Europe continues to remain the biggest hindrance to the global recovery in the eyes of investors, but recent measures taken have shored up markets and shed some light on the continent. Fears of a hard landing in China have been allayed as the nation is due to post modest growth this year in comparison with previous years.

Money has continued to flow into global equities as valuations continue to appear very attractive. US treasuries continue to see an influx of money as the dollar remains the safe haven currency of the world with the current turmoil the Euro is experiencing. Commodities experiences differing fortunes during the month of March, as the safe haven metal Gold, slid marginally by -1.68% to close the month at USD 1668.4/oz. Brent crude gained slightly by +1.09% to close the month at USD 122.9/bbl, as oil prices continue to remain extremely high and pose a threat to the recovery of the global economy.

GCC markets had a negative month, as the S&P GCC Shariah index declined -1.58% for the month of March.

The S&P Oman and S&P Bahrain were the best performing markets in the region as they posted gains of +3.41% and +1.46% respectively. The worst performing indices were the S&P UAE and S&P Kuwait which declined -4.53% and -3.41% respectively. The S&P Saudi declined -1.66% while the S&P Qatar gained +1.21%.

During the month of April 2012, The Gulf Islamic Fund managed to lose -1.08% Vs. The S&P GCC Shariah Composite that lost by -1.58%.

\* A dividend distribution of 5% was paid in July 2009.