



AWRAQ FUND

A Fund of the Awraq World Investments Fund Company B.S.C (closed)

NAV / Share

Oct-12

50.31

Fund Objective & Strategy

The Fund seeks to achieve long term capital appreciation by investing in a diversified portfolio of stocks listed on the MENA stock exchanges. The Fund employs a semi-active fund management style with a blend of growth and value and is benchmarked to a customized S&P Pan Arab Index limited to a country maximum of 30% and a position maximum of 7% to reflect the Fund's investment guidelines. The investment process is based on a bottom-up stock selection methodology coupled with a thorough analysis of top-down macro economic drivers.

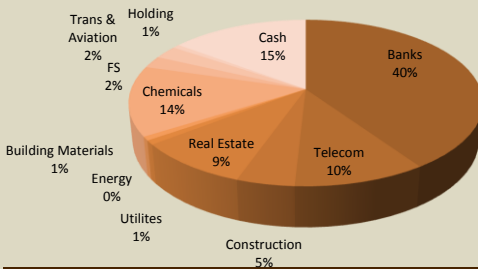
Fund Information

Asset Type	Equity
Fund Manager	Awraq Investments
Sponsor	Cairo Amman Bank
Custodian	Gulf Custody Company
Fund Listing	Bahrain
Fund Structure	Open Ended
Fund Size	USD 5,591,762
Liquidity	Bi Weekly
Indv. Min Sub	USD 25,000
Corp. Min Sub	USD 100,000
Management Fee	2.0% p.a.
Performance Fees	15% over 10%
Launch Date	31-Oct-07
Bloomberg Ticker	AWRAAQF BI Equity

Fund Characteristics & Risk Metrics

Number of Holdings	45
Alpha	-0.10%
Beta	0.77
Standard Deviation	0.02
Information ratio	-5.0%

Sector Allocation



Country Allocation

Country	Benchmark (%)	Fund (%)
Saudi	23.91%	23.20%
Egypt	12.62%	15.73%
Qatar	17.36%	17.61%
UAE	13.70%	13.93%
Jordan	5.47%	3.16%
Kuwait	17.60%	8.55%
Oman	3.50%	3.04%
Morocco	5.84%	0.00%

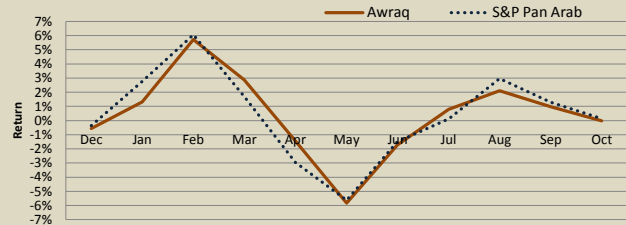
Market Review

The Awraq Fund and S&P Pan Arab were almost flat this month

The month of October was a slow month in general with many markets closed towards the end of it due to Eid Al Adha Holiday. Amid companies reporting their third quarter results, UAE's both indices were top performers, which was mainly due to strong banking sector results, as well as many macro signs showing a recovery in the economy, with a hike witnessed in real estate prices, an increment in the hotel occupancy rate, all of this contributed to an increased appetite for investors in both markets. On the other hand, Kuwait's index plunged the most in the region after clashes broke out a demonstration against the government-imposed changes to the voting law.

In Egypt delayed talks about the IMF loan as well as the speech from the president on the 6th of October indicating huge tax burden on some of the listed companies regarding precedent transactions weighed down on the market.

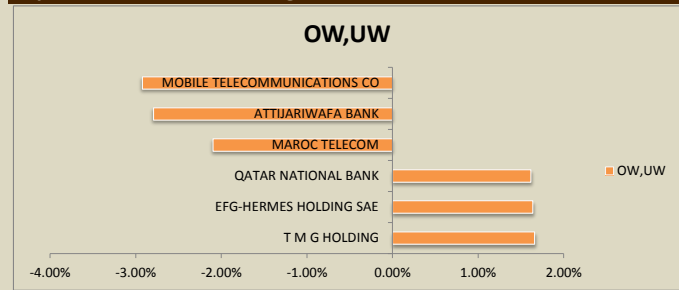
Monthly performance 2012



Cumulative Returns (%)

	1 M	3 M	1 Y	YTD	Since Incp
Fund	-0.02%	3.07%	1.63%	4.43%	-49.69%
Benchmark	0.14%	4.92%	0.43%	4.57%	

Top Three Under & Overweight vs Benchmark



Top Five Fund Holdings

QATAR NATIONAL BANK	7.79%
AL RAJHI BANK	5.25%
COMMERCIAL INTERNATIONAL BAN	4.24%
ORASCOM CONSTRUCTION INDS	4.19%
NATIONAL BANK OF KUWAIT	4.07%

Market Outlook

The fund manager, will remain cautious towards year end, but take advantage of market dips to be well positioned for the coming year specifically in Saudi Arabia, as the stock market might start to recover after pricing in weak earnings from petrochemical producers and banks.

Internationally Europe's debt crisis and ongoing concerns about global growth will keep on weighing on sentiment. More macro news regarding steps toward solving the Euro zone debt saga, and decisions in relation to the US fiscal cliff might reflect on the market for the short term.

We remain positive on the UAE and active traders on Egypt, as any developments on the IMF loan, as well as talks between companies & the government could affect the market's sentiment in the near term.

This update does not constitute an offer of Units and should not be relied upon by any person acquiring or otherwise dealing in Units of the Fund. Subscription for Units in the Fund may only currently be made on the terms of the prospectus of the Fund. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in Awraq Fund and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of Units and the income from them to fluctuate and you may get back less than you invested when you decide to sell your Units. Awraq Fund is not licensed nor approved by Jordan Securities Commission.

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