



AWRAQ FUND

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

NAV / Share

May-14

79.53

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.

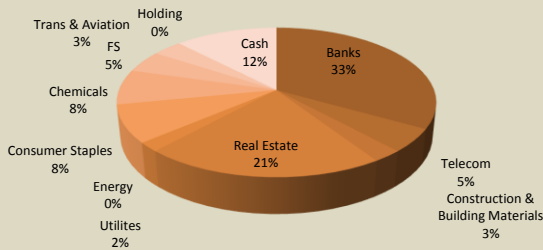
Fund Information

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 7,480,052
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	34
Alpha	6.24%
Beta	0.96
Standard Deviation	9.32%
Information ratio	1.97

Sector Allocation



Country Allocation

Country	Benchmark (%)	Fund (%)
Saudi	23.21%	27.38%
Egypt	8.73%	12.47%
Qatar	17.90%	18.50%
UAE	19.86%	21.05%
Jordan	5.57%	3.70%
Kuwait	16.33%	4.65%
Oman	3.35%	0.09%
Morocco	5.05%	0.00%

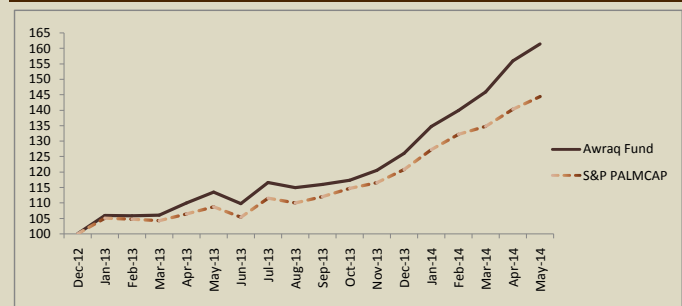
Market Review

The Awraq Fund went up by 3.50% as compared to the S&P Pan Arab which went up circa 2.90% during the same time period.

In the month of May, the Qatari market was the regional outperformer, recording a gain of nearly 8% whereas Dubai almost ended the month unchanged following the long awaited event in the Gulf region: the MSCI's official announcement for its reclassification of Qatar & UAE indices from frontier to emerging markets starting the month of June. MSCI released the exact composition of stock weights in Mid May, which caused volatility in markets' performance in the past couple of weeks, as investors anticipation for active and passive money flows varied significantly. On event day, the last day of the month, both UAE & Qatar witnessed record volume as passive index trackers entered the markets.

While Egypt started off positively, it erased all of its gains and moved into the negative territory after reports of imposing a capital gain & dividend tax were released, though the final verdict on passing such a law is still pending with the president.

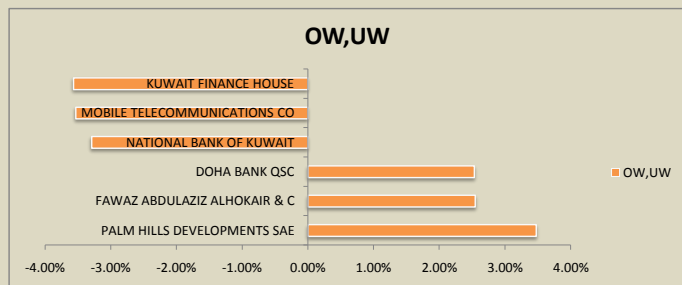
USD 100 Invested Since 2013 Year Beginning



Cumulative Returns (%)

	1 M	3 M	1 Y	YTD	Since Incp
Fund	3.50%	15.41%	42.19%	28.02%	-20.47%
Benchmark	2.93%	9.25%	32.83%	19.55%	

Top Three Under & Overweight vs Benchmark



Top Five Fund Holdings

ALDAR PROPERTIES PJSC	5.49%
EMAAR PROPERTIES PJSC	5.46%
FIRST GULF BANK	5.26%
MASRAF AL RAYAN	5.15%
SAUDI BASIC INDUSTRIES CORP	3.74%

Market Outlook

US & European markets were somehow controlled by the investor sentiment regarding the Ukrainian crisis for most part of the month, but eventually Ukrainians elected Petro O. Poroshenko as president on the 25th of May, hoping that he will be able to lead them out of six months of turmoil. This piece of news coupled with the announced market reforms in China, accompanied by higher than expected macro data in the US, led to record closing for the Dow Jones and the Standard & Poors index.

Regionally, and in the Gulf, the Fund Manager is more positive on the less richly valued Saudi market, for the coming period. The fund manager will also be cautious about its positions in Qatar after allegations against its World Cup bid have been hitting the newswires again and more investigations are underway. A final report is expected to be out around mid July. Also we are looking towards increasing our allocation to the Egyptian market, following the inauguration of Abdel Fattah Al-Sisi as President, which was welcomed by most Arab countries, as they foresee greater stability in the country after the elections turnout. UAE & Saudi will continue to back it financially, also Saudi Arabia's King Abdullah has asked countries to attend a donor conference in support for Egypt. Having said that, we will have to adopt a disciplined approach while adding exposure as additional economic reforms are being shaped, but since a plan is not yet formally announced, some reforms could have a negative effect on certain sectors.

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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