

SICO Gulf Equity Fund

Fact Sheet – March 31, 2007

NAV US\$96.45 ↑ 1.1%

Manager's Commentary

The GCC markets continued their mixed performance as Kuwait and Bahrain were the only markets to appreciate. Investor confidence remained low in the other markets especially in Dubai and Abu Dhabi that declined by 10.7% and 6.7%, respectively.

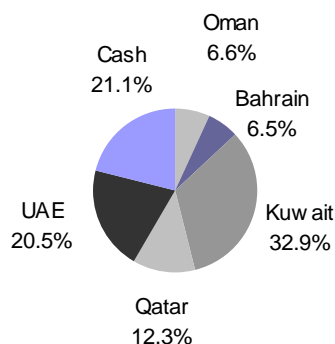
Despite the volatile performance of the markets, the NAV of SICO Gulf Equity Fund increased by 1.1% during March. The fund's large exposure to blue chip companies in Kuwait reaped handsome rewards as our core holdings such as Agility (+16.1%), United Gulf Bank (+15.3%) and MTC (+14.8%) witnessed strong buying interest. However, the fund's exposure in the UAE markets dampened the fund's overall performance. Stocks such as Emaar Properties (-14.0%), Aldar Properties (-15.7%) and RAK Properties (-11.3%) fell on account of lack of investor confidence. Emaar Properties was hit hard due to uncertainty after announcing a land-for-share deal with Dubai Holdings that would result in equity dilution for existing shareholders.

During the month, we carried out profit taking by reducing our exposure to key stocks in Kuwait. Consequently, the fund's cash allocation has increased to 21.1% – which would be deployed in undervalued regional securities.

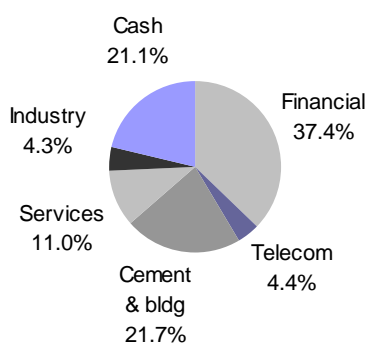
Fund Statistics

Price Earnings Multiple 2006 (x)	10.7
Dividend Yield 2006 (%)	4.5
Number of Holdings	32
Annualized Return (%)	-3.3
Largest Monthly Gain (%)	5.7% (Aug 06)
Largest Monthly Loss (%)	-9.2% (Nov 06)
% of Positive Months	53.8%
Annualized Standard Deviation (%)	15.5
Sharpe Ratio	n/a
Maximum Drawdown (%)	-9.2

Country Allocation



Sector Allocation



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Investment Objective

The Fund seeks to achieve long-term capital appreciation by investing principally in equity securities listed on the stock markets of the GCC Countries excluding Saudi Arabia.

Fund Returns (%)

	Fund	MSCI Ex Saudi Index
March 2007	1.1	0.6
Year to Date 2007	3.9	2.6
Last 3 months	3.9	2.6
Last 6 months	2.1	-3.2
Last 12 months	-0.9	-14.1
2006 (Mar - Dec)	-7.2	-18.8
Since Inception	-3.6	-16.7

Top Holdings

Name	Country	(%)
Emaar Properties	UAE	7.6
Agility	Kuwait	6.1
Burgan Bank	Kuwait	5.2

Fund Information

Launch Date	March, 2006
Management Fee	1.5%
Performance Fee	10% over 10% pa
Subscription & Redemption	Monthly
Subscription Deadline	Five Business days before month end
Redemption Deadline	Ten Business days before month end
Minimum Subscription	US\$100,000
Reuters Code	<SICO>
Fund Listing	Bahrain Stock Exchange
Custodian	SICO Funds Services
Auditors	Price Waterhouse Cooper

Management Team

Shakeel Sarwar
Naveed Ahmed, CFA
Serkan Altay
Faisal Jiwani
Khair Fakhro
Hasan Haider

Investment Bank **sico**