Horizon Fund

September 2009

Inception Date: March 1, 2005

NAV Sept. 30, 2009	**: JOD 93.358**
Monthly Return	**: 2.46%**
YTD Return	**: 5.03%**
Return Since Inception	**: -6.64%**

Fund Description

Investment Objective: The fund aims to achieve a long term capital appreciation of the Net Asset Value (NAV) of the fund through maximizing the market value of its investment 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 assets classes, ie.equity, fixed income and money market instrument.

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:	20.0% on returns above 8% PA
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

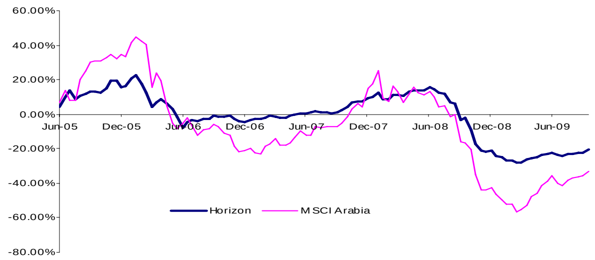
MENA markets continued to track global markets' positive trend which started since the mid of March , the MSCI A achieved another 5.32% making it's YTD return 25.15%, Horizon fund returned 2.46% making it's YTD return 5.03%. Dubai, Saudi and Abu Dhabi were the main contributors to the MSCI A performance during Sept., increasing by 14.46%, 11.68% and 7.84% respectively. All GCC, Levant and Egypt markets closed the month in black except Kuwait which declined by 1.23%. We continued increasing equity exposure gradually which reached 47% of the Fund by the end of Sept. We think that our region's performance is still lagging other emerging markets on a YTD basis, the MSCI EM had a brilliant jump by 61.20% since the beginning of 2009. However, we are still cautious about the probability of markets correction after this remarkable rally.

The uptrend across global markets is still intact, good news about the US economic recovery is still coming out, albeit some of them are mixed. Consumer confidence is improving, corporate earnings began to show signs of recovery, lending activities by banks started to pick up, but at a slow pace. Housing market is showing some evidence of bottoming out, but job losses is still the main concern since companies are still reluctant to start recruiting people aggressively. Our region looks in a good shape after stabilization of oil price and continuation of governmental expansionary plans. Large banks across the region are expected to do better after taking enough provisions against bad loans, Al-Saad & AL-Gosaibi groups managed to make an agreement with Saudi banks regarding their obligations to them, other banks in the region are in the negotiating stage. Decline in the real estate market seems reaching to an end, people started to think positively about Dubai real estate market which got the biggest hit during the global crisis.

We will keep our focus on the oil & gas services, shipping and petrochemical sectors which are expected to benefit from the recovery story, especially companies that will benefit directly from governmental expansionary plans. At the same time, we will watch closely banks and real estate sectors in order to ride any wave of recovery across these sectors.

Performance Analysis

Cumulative Performance



Performance Summary

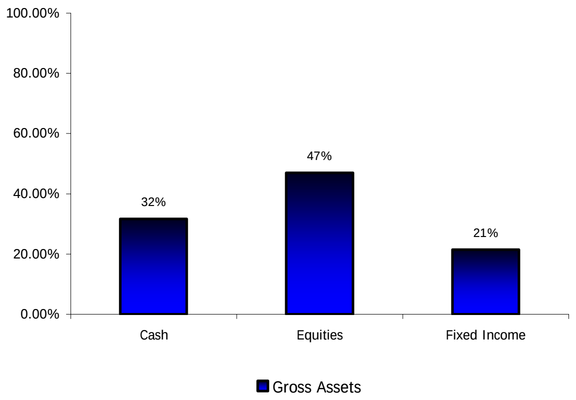
	Fund	*MSCI Arabian Markets
1-month return	2.46%	5.32%
3-month return	4.14%	12.22%
12-month return	-18.72%	-19.84%
Return since inception	-6.64%	-32.99%
Annualized Return Since Inception	-1.49%	-8.36%
YTD	5.03%	25.15%

Historical Monthly Returns

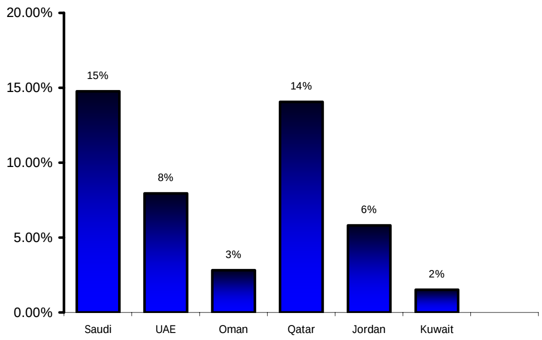
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2005			5.56%	9.60%	1.42%	9.96%	-1.14%	3.18%	0.96%	1.39%	4.27%	-2.72	**36.62%**
2006	5.44%	-8.31%	-5.18%	-0.48%	-7.01%	-3.41%	0.67%	1.61%	0.66%	0.84%	-3.32%	0.92%	**-16.99%**
2007	0.73%	1.70%	-1.16%	1.03%	1.81%	0.19%	0.44%	-0.55%	1.52%	4.67%	0.61%	2.01%	**13.67%**
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%**
2009	-3.29%	-1.48%	2.00%	2.15%	2.44%	-0.83%	0.48%	1.15%	2.46%				**5.03%**

Asset Allocation

Asset Classes as % of the Fund



Geographical Equity Allocation % of the Fund



Sector Allocation % of the Fund

Sector	% of Fund
Banks	11.57%
Services	19.91%
Industrials	8.99%
Telecom	6.46%

Currency Exposure

Currency	Long
JOD	47.04%
USD	11.84%
AED	7.95%
SAR	14.77%
OMR	2.81%
QAR	14.06%
KWD	1.52%

Top 3 Exposures

Name	% of the Fund	Country
Qatar Gas Transport	4.05%	Qatar
Gulf International services	3.69%	Qatar
Al-Rajhi Bank	3.35%	KSA

Fund Directory:

Investment Manager	Fund Trustee	Fund Auditor
Capital Bank of Jordan	Jordan Kuwait Bank	Ernst & Young
Tel: +962 6 5100200	Tel:+962 6 5629400	Tel: +962 6 5526111

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.