

# Horizon Fund

August 2011

Inception Date: March 1, 2005

NAV August . 31, 2011	: JOD 85.667
Monthly Return	: -3.32%
YTD Return	: -9.43%
Return since Inception	: -14.34%

## 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

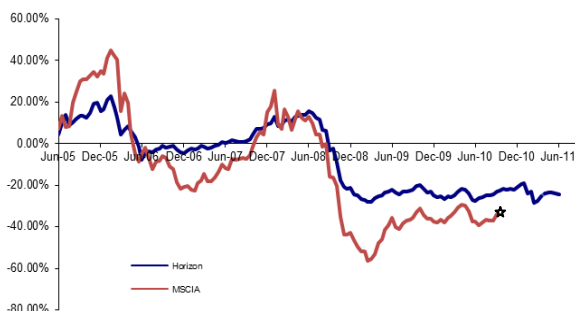
## Commentary

Financial markets continued to witness high trading volatility during August amid fears of global recession as Economic concerns continued to grow with the recent US credit rating downgrade, in addition to the developing debt crisis in major European economies leading to further descents in stock markets while demand for Gold and major commodities remains strong.

Global perception of the anticipated economic and regulatory amendments will determine the trend in the stock markets in the short-term. Nonetheless, we maintain our strong belief in the viability of investing in the MENA markets, specifically in the Saudi and Qatari markets, with concentration on solvent and governmentally contracted equities.

Market	Monthly Return
Saudi Arabia	-6.46%
Qatar	-0.61%
Kuwait	-3.97%
Bahrain	-2.59%
Oman	-0.70%
Dubai	-1.66%
Abu.Dhabi	-0.14%
Jordan	-3.97%

## Cumulative Performance



★MSCIA was discontinued in September 2010

## Performance Summary

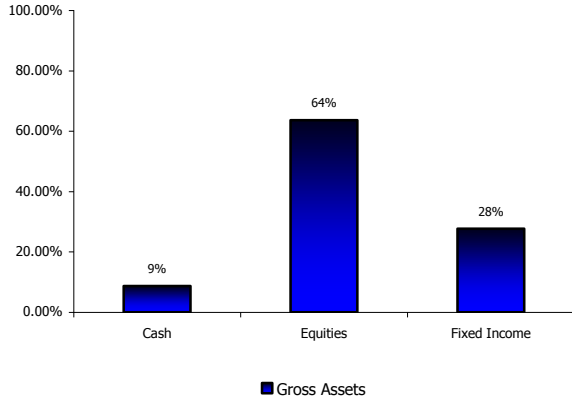
	Fund
1-month return	-3.32 %
3-month return	-4.07 %
12-month return	-3.59 %
Return since inception	-14.34%
Annualized Return Since Inception	-2.35%
YTD	-9.43%

## Historical Monthly Returns

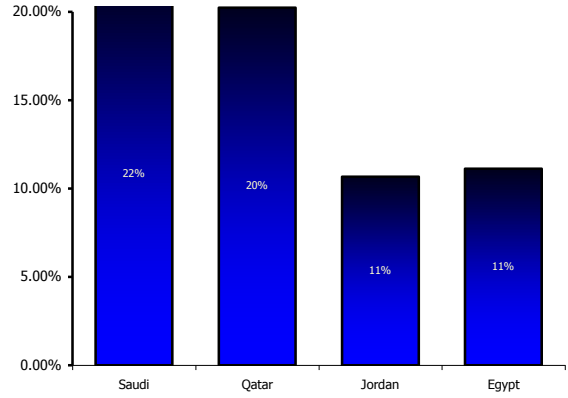
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-4.69%	-5.88%	4.59%	2.52%	-0.62%	-1.14%	0.36%	-3.32					-9.43%
2010	-1.09%	0.70%	3.76%	1.49%	-6.64%	1.33%	1.65%	0.93%	2.36%	0.30%	0.25%	3.42%	8.35%
2009	-3.29%	-1.48%	2.00%	2.15%	2.44%	-0.83%	0.48%	1.15%	2.46%	-1.45%	-1.84%	-3.35%	-1.79%
2008	-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%
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%
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%
2005			5.56%	9.60%	1.42%	9.96%	-1.14%	3.18%	0.96%	1.39%	4.27%	-2.72	36.62%

## Asset Allocation

### Asset Classes as % of the Fund



### Geographical Equity Allocation % of the Fund



### Sector Allocation % of the Fund

Sector	% of the Fund
Banks	18.96%
Industrials	20.21%
Telecom	8.99%
Real Estate	18.26%
Retail	5.95%
Utilities	13.21%

### Currency Exposure

Currency	Long
JOD	19.34%
USD	27.67%
SAR	21.63%
EGP	11.12%
QAR	20.24%

### Top 3 Exposures

Name	% of the Fund	Country
Commercial Bank of Qatar	5.48%	Qatar
Orascom Construction	4.90%	Egypt
Qatar Industries	4.73%	Qatar

#### Fund Directory:

**Investment Manager**  
Capital Bank of Jordan  
Tel: +962 6 5100200

**Fund Trustee**  
Jordan Kuwait Bank  
Tel: +962 6 5629400

**Fund Auditor**  
Ernst & Young  
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.