

# Horizon Fund

September 2011

Inception Date: March 1, 2005

NAV August 31, 2011	: JOD 84.342
Monthly Return	: -1.55%
YTD Return	: -10.83%
Return since Inception	: -15.66%

## 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

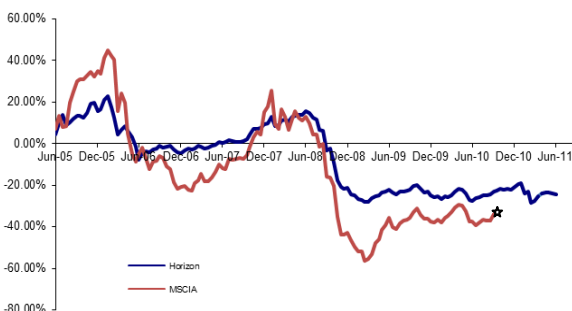
**Fund Structure:** Open-ended Mutual Fund  
**Currency:** Jordanian Dinar  
**Par Value:** JOD 100  
**Minimum Subscription:** 10 Units  
**Management Fee:** 1% per annum  
**Performance Fee:** 20.0% on returns above 8% PA  
**Trustee Fee:** 0.25% per annum  
**Subscription/Redemption:** 2 working days prior to a Valuation Day  
**Valuation Day:** Bi-Monthly  
**Investment Manager:** Capital Bank of Jordan.  
**Investment Trustee:** Jordan Kuwait Bank  
**Auditor:** Ernst & Young

## Commentary

The month of September has been a massacre for almost all asset classes worldwide but the US dollar which saw an impressive appreciation. This massacre was on the back of the escalating debt problem in the EU zone coupled with a deterioration in investors' sentiment and global economic outlook. The MENA region was not immune to this global downward spiral as noticed by the performance of regional equity and credit market with a special focus on the Egyptian market which was subject to a more severe hit due to internal social struggle. In this investment environment the Horizon Fund was not sheltered as well as indicated by the performance above. Moving forward we expect to continue witnessing increased volatility coupled with high uncertainty especially that European leaders did not take a firm decision to put their house in order, we will not rush on a fire sale as the Fund hold a substantial amount allocated to cash and cash equivalents however we will be moving gradually the investments toward more income generating securities that have a lower beta.

Market	Monthly Return
Saudi Arabia	2.23%
Qatar	0.50%
Kuwait	0.72%
Bahrain	-7.35%
Oman	-2.86%
Dubai	-4.07%
Abu Dhabi	-3.16%
Jordan	-2.20%
Egypt	-10.83%

## Cumulative Performance



★MSCIA was discontinued in September 2010

## Performance Summary

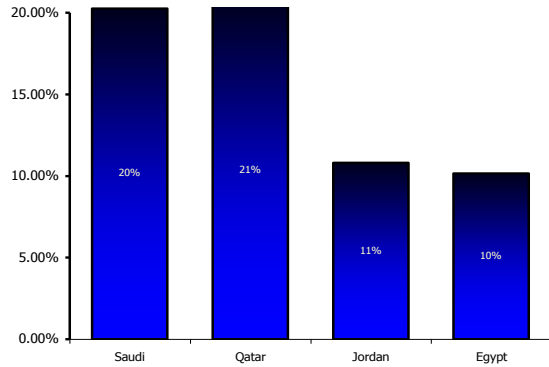
Fund	Return
1-month return	-1.55 %
3-month return	-4.47 %
12-month return	-7.27 %
Return since inception	-15.66 %
Annualized Return Since Inception	-2.55 %
YTD	-10.83 %

## Historical Monthly Returns

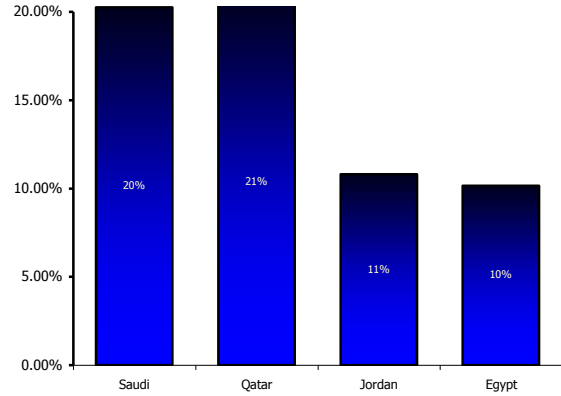
Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2011	-4.69%	-5.88%	4.59%	2.52%	-0.62%	-1.14%	0.36%	-3.32%	-1.55%				-10.83%
2010	-1.09%	0.70%	3.76%	1.49%	-6.64%	1.33%	1.65%	0.93%	2.36%	0.30%	0.25%	3.42%	8.35%
2009	-3.29%	-1.48%	2.00%	2.15%	2.44%	-0.83%	0.48%	1.15%	2.46%	-1.45%	-1.84%	-3.35%	-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	Percentage
Banks	18.97%
Industrials	26.25%
Telecom	8.93%
Real Estate	17.54%
Utilities	13.75%
Retail	4.43%

### Currency Exposure

Currency	Long
JOD	21.13%
USD	27.75%
SAR	20.26%
EGP	10.15%
QAR	20.71%

### Top 3 Exposures

Name	% of the Fund	Country
Commercial Bank of Qatar	5.47%	Qatar
Qatar Industries	4.81%	Qatar
Qatar Electric & Water	4.74%	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.