

NAV
KWD 0.61785

Fund Objective

The Fund seeks long-term capital appreciation by investing primarily in Kuwaiti domiciled listed equities. From time-to-time, and not ordinarily exceeding 20.00% of the NAV of the Fund, the Investment Manager may choose to invest in non-Kuwaiti stocks that are deemed to have significant exposure to the Kuwaiti economy. To help measure the success of the Fund, its performance will be measured against the MSCI Kuwait Index.

Investment Features

- Easy access to your money on a weekly basis
- Investing in equities with strong fundamentals and good long-term prospects
- Measure Fund performance against MSCI Kuwait Index

Fund Facts

Fund Structure: Open-ended

Inception Date: June 23, 2007

Liquidity: Weekly

Currency: Kuwaiti Dinar

Initial Subscription Price: KWD1 per unit

Minimum Investment: KWD1,000 with additional investments in multiples of KWD1,000 thereafter

Subscription Fee: One-time fee of up to 2.00% upon subscription

Management Fee: An annual fee of 1.50%

Performance Fee: 10.00% for every 1.00% excess return over the benchmark (positive performance) during the Financial Year

Fund Manager: Watani Investment Company K.S.C.C

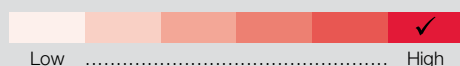
Custodian: Kuwait Clearing Company S.A.K

Distributor: National Bank of Kuwait S.A.K

Auditor: Al Osaimi & Al Ayban and partners (Ernst & Young)

Domicile of the Fund: Kuwait

Risk Level



Performance Since Inception

	Fund	Benchmark
Cumulative Return Since Inception	-38.22%	-47.47%
Annualized Return Since Inception	-27.06%	-34.42%
YTD Return	-36.39%	-45.38%
1 Month Return	0.10%	-18.19%
3 Months Return	-25.85%	-37.11%
6 Months Return	-38.86%	-47.54%
1 Year Return	-36.39%	-45.38%
2 Year Return (annualized)	N/A	N/A
3 Year Return (annualized)	N/A	N/A
5 Year Return (annualized)	N/A	N/A
Annualized Geometric Mean	-7.41%	-9.79%
Annualized Standard Deviation	8.99%	15.09%
Adjusted Sharpe Ratio*	-0.01	-0.02
Coefficient of Variation	-1.21	-1.54

* Risk Free Rate used is the 3-month KD Treasury Bill

Top Four Holdings

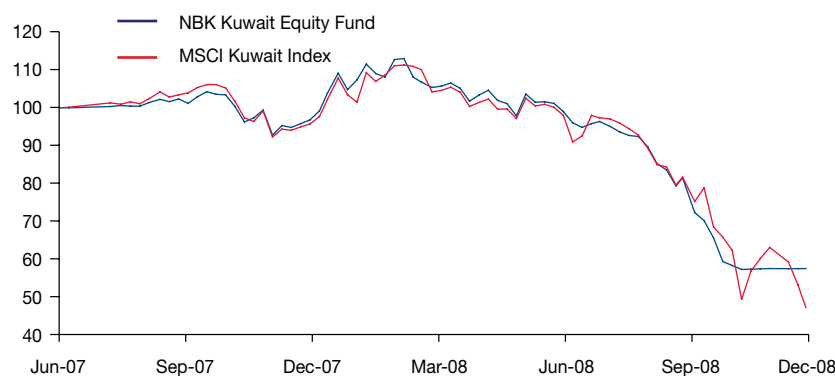
Bank of Kuwait and Middle East	0.37%
Jazeera Airways	0.32%
Al Ahli Bank of Kuwait	0.10%
Kuwait Investments Projects Company	0.01%

Sector Allocation

Banking	0.47%
Services	0.32%
Investment	0.01%
Cash	99.20%

Fund Performance Against Benchmark

Performance of KD100 invested since inception



All data as of December 31, 2008.

Past performance is no guarantee for future return. The value of shares can go down as well as up.

General Fund Overview

- During the fourth quarter of 2008, NBK Kuwait Equity Fund outperformed the MSCI Kuwait Index by 11.26%, with returns of -25.85% and -37.11% respectively. During the year, the NBK Kuwait Equity Fund returned -36.39% versus the MSCI Kuwait Index which returned -45.38%, again an outperformance of 8.99%.
- Despite the difficult news emerging from Kuwait, we are bullish on the country long term and believe current prices are attractive—for some firms, not all.
- Kuwait's economy is well positioned to weather the global slowdown given large cash reserves built up when oil prices were high.
- We anticipate deploying more cash in the NBK Kuwait Equity Fund over the coming weeks and months, having avoided all of the losses in December as a result of prudent risk management.