

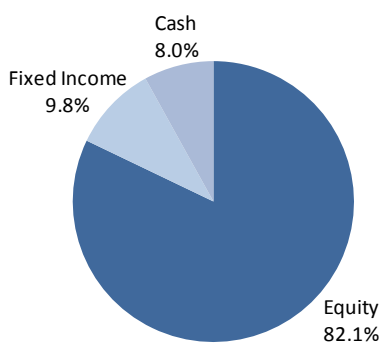
Manager's Commentary

All GCC Markets ended the month of March on a positive note and continued to maintain their impetus during the month, driven by investor confidence and stability in oil prices which remained over US\$80/barrel. Dubai led the race and recorded a significant gain of 15.7%, as the market began to build momentum and bounce back subsequent to Dubai World's debt restructuring proposal. Qatar, Abu Dhabi and Saudi gained 8.6%, 7.6% and 5.7%, respectively. Kuwait continued its previous month positive trend and increased by 3.7%. Oman's performance was subdued with a marginal gain of 0.1%.

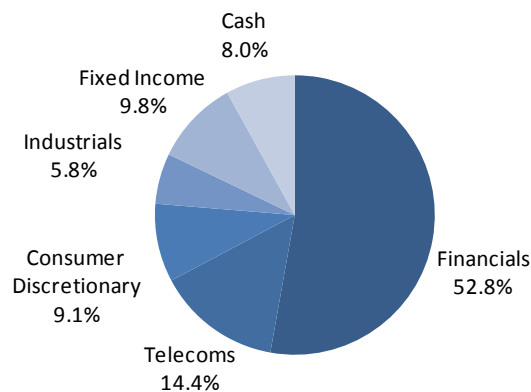
Since the start of the year, the Bahrain All Share Index has ended all three months in the green territory. March added an extra 1.9% to take the index up to 1547.13 points. There was a substantial increase in trading volumes concentrated in the investment sector. The market heavy weight Ahli United Bank (AUB) was the top advancer for the month and increased by 15.3%, extending its year to date return to 58%. This rally was fuelled by speculation that an investor is keen to purchase a significant stake in the bank. In first week of April, Tamdeen Investment Co (AUB's largest non-government shareholder) disclosed that a GCC based institution has formally expressed its willingness to purchase a 25% stake in AUB.

SICO Selected Securities Fund was up 3.4% for the month as compared to a 1.9% increase in the benchmark. For the year the fund is up 8.3% compared to a 6.1% increase in the benchmark.

Asset Allocation



Sector Allocation



Fund Statistics

Price Earnings Multiple TTM (x)	10.3
Dividend Yield 2009 (%)	4.5
Price to Book Multiple Latest (%)	1.1
Number of Holdings	17
Annualized Return (%)	6.9
Largest Monthly Gain (%)	10.7 (May 07)
Largest Monthly Loss (%)	-12.3 (Oct 08)
% of Positive Months	62.0
Maximum Drawdown- Peak to Trough (%)	43.8
Length of Drawdown (months)	7
Recovery from recent trough (%)	9.2

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Investment Objective

SICO Selected Securities Fund invests principally in equity and debt securities listed or expected to be listed on the Bahrain Stock Exchange (BSE).

Returns	Fund (%)	Index (%)
March 2010	3.4	1.9
YTD 2010 (Jan – March)	8.3	6.1
Last 3 months	8.3	6.1
Last 6 months	5.8	-0.5
Last 1 year	7.7	-3.1
Last 3 years	-6.7	-28.4
Last 5 years	-11.1	-25.6
Last 10 years	120.2	32.5
2009	-9.9	-19.2
2008	-28.4	-34.5
2007	31.7	24.2
2006	-0.3	1.0
2005	16.9	23.8
2004	35.7	32.7
2003	29.0	28.5
2002	12.4	3.4
2001	11.8	-2.5
2000	-7.0	-18.4
1999	6.0	1.1
1998 (May – Dec)	-5.4	-1.0
Since Inception (May 98 – Mar 10)	120.1	22.5

Fund Information

Launch Date	May 1998
Management Fee	1.0%
Performance Fee	20% over 10% pa
Subscription & Redemption	Monthly
Subscription Deadline	Two Business days
Redemption Deadline	Ten Business days
Minimum Subscription	1,000 units
Reuters Code	<SSSF>
Fund Listing	Bahrain Stock Exchange

Top Holdings

Name	Sector	(%)
Batelco	Telecom	14.4
Ahli United Bank	Financial	12.1
NBB	Financial	6.8

Risk Statistics

Annualised Standard Deviation (%)	12.0
Sharpe Ratio	0.2
Information Ratio	0.6
Beta	0.7
Alpha (%)	4.2