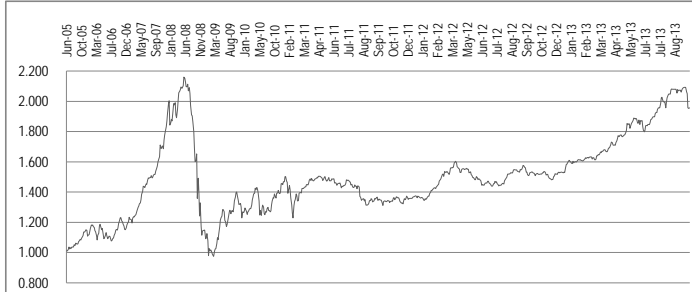


**Fund Objective**

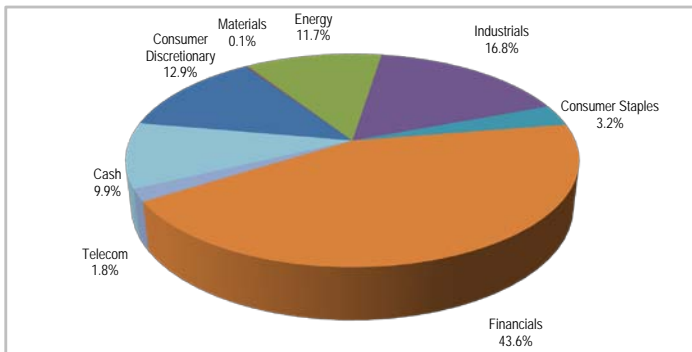
The primary objective of Vision Emerging GCC Fund (VEGF) is to maximize the risk adjusted returns, as measured by Sharpe Ratio. It follows a flexible asset allocation policy with investments spread across a diversified range of investment options including alternative investments.

**Performance Chart\***



(\* Adjusted for dividends, assuming dividends are reinvested)

**Sector Holding**

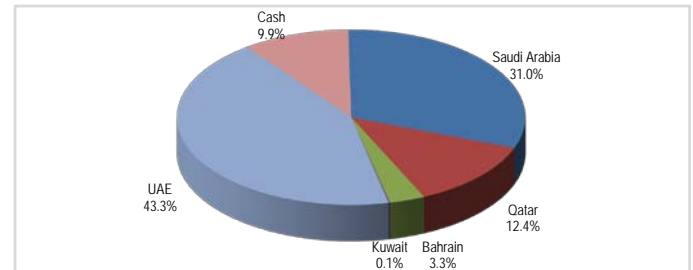


NAV: RO. 1.062 { 2.76 USD }

**Fund Information**

Fund type	Open Ended
Lipper ID	65044199
Bloomberg ID	VSEMGCC OM
Global Custodian	National Bank of Oman
Administrator	Vision Investment Services Co. SAOC
Auditors	PricewaterhouseCoopers
Date of Inception	May 19, 2005
YTD Returns	27.88%
Annualized Sharpe Ratio	0.31
Annualized Standard Deviation	17.73%
Highest Monthly Return	12.80% (July 2013)
Least Monthly Return	-24.75% (October 2008)
Dividend Paid For 2006	8.00% (April 2006)
Dividend Paid For 2007	8.00% (March 2007)
Bonus Paid For 2008	60% (March 2008)

**Countrywise Allocation**



	Sharpe Ratio	Standard Deviation	Returns since 2-Jun-05	Returns YTD 2013	Aug 2013 Returns
VEGF	0.31	17.73%	93.48%	27.88%	-4.04%
S & P GCC	-0.30	21.55%	-33.97%	13.44%	-1.62%
S & P KWT	-0.17	22.46%	-17.94%	0.03%	-2.01%
S & P Oman	0.07	20.05%	33.18%	13.63%	1.50%
S & P Qatar	0.01	24.38%	10.79%	15.19%	-1.10%
S & P UAE	-0.20	31.21%	-45.12%	48.08%	-3.83%
S & P Bahrain	-0.53	16.04%	-38.38%	22.81%	-2.42%
S & P Saudi	-0.18	28.75%	-36.36%	12.01%	-1.32%

**Top 5 Holdings**

Scrip	Country	% Exposure
Qatar Fuel Co	Qatar	6.97%
Al Taysar	Saudi Arabia	6.87%
Emaar Properties	UAE	6.70%
Emirates NBD	UAE	5.74%
Aldar Properties	UAE	5.49%

**Fund Performance\***

1 Year	3 Year	Since Inception
26.64%	53.32%	93.48%

(\* Adjusted for dividends, assuming dividends are reinvested)

**Manager Report**

The global and regional equity markets retreated in August as investors became wary about the growing geo-political tensions in Syria. The regional markets trended positive in the first half of the month before the tension of a possible US strike on Syria spooked. On the other hand, the global markets reacted negatively to the looming threat of tapering of quantitative easing in the USA.

On the macroeconomic front, the US continued to show signs of recovery as second-quarter GDP rose 2.5% (annualized rate) from April to June as against 1.7% in the first quarter. The manufacturing Purchasing Managers' Index (PMI) hit a five-month high of 53.9. A reading above 50 indicates expansion. Sans the geopolitical tension in the Middle East, positive sentiment prevailed in the euro zone as the economy grew by 0.3% quarter on quarter between April and June this year. The economic improvement was driven by stable conditions in Germany and France, which grew 0.7% and 0.5% respectively in the second quarter while Spanish and Italian economies registered only slight quarterly contractions of 0.1% and 0.2%, bettering the market estimates. Brent Crude was up about 6.6% while Light sweet crude (WTI) was up 3.3% for the month. The crude prices surged on the fear of possible supply disruption if the tension in the Middle East escalates to other neighboring countries.

In the region, the Saudi Arabia All Share Index witnessed a monthly fall of 1.88%. Only two of the fifteen sectors ended the month with positive performance. Cement and Petrochemical sectors rose by 1.5% and 0.1% respectively. Real estate, Insurance and Media & Publishing sectors were the market laggards witnessing a fall of 11.4%, 8.9% and 8.5% respectively. The Saudi Tadawul All Stock Index was up 14.2% on YTD basis.

The UAE indices were negative during the month paring portion of earlier gains to the market sentiments. Investment & Financial services in DFM General Index dropped 6.8% while Insurance and Telecom sectors fell by 5.2% and 4.6% respectively. In the ADX index, Investment & Financial services, Real Estate and Energy sectors lost 8.4%, 8.2% and 8.2% of its respective market value for the month. However, the DFM General Index and ADX index remains the best performing equity market in the region, up 55.5% and 41.9% respectively.

The Qatar Exchange was down 0.9% for the month led by fall of 5.6% and 3.3% in Real Estate and Insurance sectors. Transportation and Consumer good & Services sector ended the month on positive note, rising by 3.6% and 3.0% respectively. The DSM index was up 15.1% up on YTD basis.

Oman's MSM 30 Index rose by 0.7% for the month due to marginal positive movement in the Industrial and Services sectors. Banking sector fell by 0.3% for the month. Kuwait declined by 5.4% for the month and Bahrain lost 0.5% in August.

Overall, the geopolitical tension weighs heavily on the regional markets and the Fund hopes peace is restored in the region at the earliest with no further loss of human lives. In these challenging times, the Fund remains cautious and be actively managed to trade off short term market tremors and looking to add value to the investors' NAV in the long term.