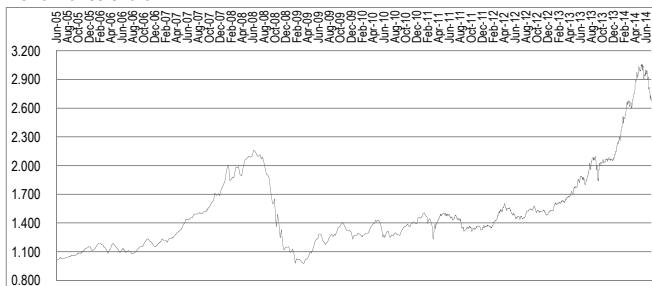
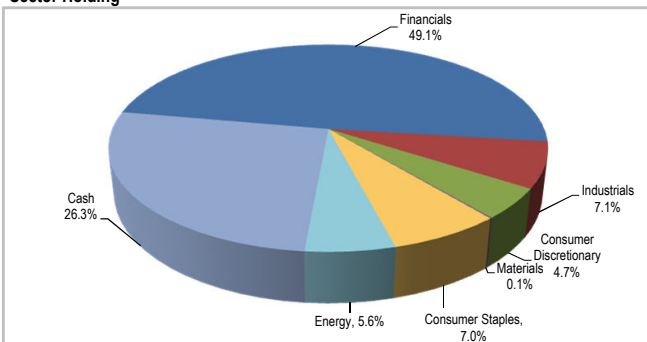


**Fund Objective**

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**


Note : Financials constitute Real Estate companies as per GICS classification

	Sharpe Ratio	Standard Deviation	Returns since 2-Jun-05	Returns YTD 2014	May 2014 Returns
<b>VEGF</b>	0.46	17.27%	164.66%	18.95%	-10.57%
<b>S &amp; P GCC</b>	-0.21	20.58%	-21.28%	8.20%	-7.39%
<b>S &amp; P KWT</b>	-0.16	21.41%	-14.65%	2.32%	-5.08%
<b>S &amp; P Oman</b>	0.08	19.13%	40.25%	4.06%	3.08%
<b>S &amp; P Qatar</b>	0.09	24.59%	33.23%	11.73%	-17.28%
<b>S &amp; P UAE</b>	-0.08	30.49%	-26.82%	6.64%	-21.84%
<b>S &amp; P Bahrain</b>	-0.38	15.49%	-25.48%	9.45%	-5.40%
<b>S &amp; P Saudi</b>	-0.11	27.30%	-22.98%	9.63%	-2.93%

**Manager Report**

Global equity markets during June 2014 registered mixed returns. Dow Jones gained 0.7%MTD, Nasdaq gained 3.9%MTD and S&P 500 posted 1.9% MTD. Fed's indication of keeping the interest low, better than expected factory and labor market data helped to offset the weak sentiments that formed up as the World Bank lowered 2014 global growth and on geopolitical issues in Iraq.

GCC markets remained volatile and witnessed correction post the MSCI upgradation of both UAE and Qatar to emerging market status. As there was no new catalyst that could sustain the pre-rally, the market succumbed to the negative sentiments that got created over the Iraq crisis. Margin lending also weighed further on the market due to retail lending. During the month DFM lost 22.5% MTD but on YTD basis the market is up 17%. Almost all the sectors ended in the red territory for the month. Arabtec was the top loser during the month, lost 61%MTD. Negative investors' sentiments along with stepping down by the then CEO and layoffs fuelled the uncertainty on the stock. Investors worried about the future strategy and execution capabilities of the company going forward. During June 2014, ADX shed 13.4%MTD. On YTD basis the market is up 6.1%. ADX stock exchange also witnessed all sectors closing in the negative territory. According to a report released by the Statistics Centre Abu Dhabi, the total value of non-oil foreign merchandise traded reached AED 34.89bn during 1Q14, indicating 5.9% against the same period last year.

Qatar stock market shed 16.1% MTD to close at 11,489 levels. Except insurance sector all the sectors dropped on month on month basis. Djala brokerage and Salam International Investment Company were the top two gainers during the month, gained 12.1% MTD and 6.8%MTD, respectively. Masraf Al Rayan and Qatar Investors Group shed the most during the month, down 30.1% MTD and 26.1%MTD, respectively. According to a report released by the Ministry of Development Planning and Statistics, Qatar's real GDP is projected to grow by 6.3 per cent in 2014e and 7.8 per cent in 2015e. According to Qatar Economic Outlook 2014-2015, the country's construction sector is projected to expand by 14.1 per cent in 2014, up from 13.6 per cent in 2013, and is expected to accelerate faster in 2015.

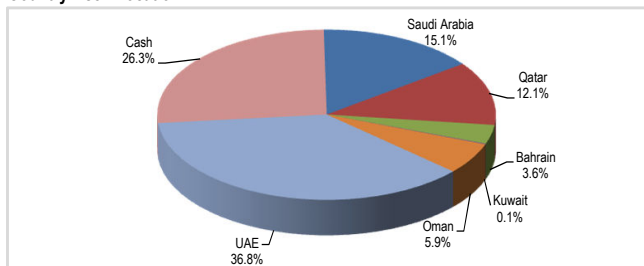
At the end of June 2014, TASI declined by 3.2% MTD and on YTD basis the market is up by 11.5%. Transport and cement sectors were the only two sectors that closed in the positive territory, up 1.3%MTD and 0.9%MTD, respectively. During the month Mobily signed USD 200mn loan with Canada's export credit agency to buy equipment from Alcatel Lucent. Alhokair completed USD 133mn, five-year sukuk issue, its maiden issue of an Islamic bond.

MSM is the only market that closed in green during June 2014, gained 2.2%MTD and on YTD basis market is up 2.5%. Both Batinah Power Company and Al Suwadi Power Company started trading on June 23, 2014. Al Suwadi Power increased 25 per cent to OMR 0.162 against the offer price of OMR 0.130 while Al Batinah moved up 26 per cent to OMR0.161 against the offer price of OMR 0.128 on the debut day. The markets KSE and BSE declined by 4.4% and 2.2%, respectively. During the month, gold gained 6.6% MTD while WTI moved up by 2.9% MTD

We continue to be positive on the fundamentals of GCC markets and consider corrections of this kind to provide buying opportunity. According to MEED projects, there are about USD 2.5bn worth of projects that are planned or underway in GCC. Saudi, UAE and Qatar constitute about 43%, 29% and 11%, respectively. We expect the confidence to be regained in the coming days and the second quarter earnings to substantiate the healthy fundamentals of the GCC countries. The fund to remain invested in fundamentally strong companies and continues to create value 'NAV' for the investors.

**NAV: RO. 1.354 { 3.51 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	18.95%
Annualized Sharpe Ratio	0.46
Annualized Standard Deviation	17.27%
Highest Monthly Return	12.80% (July 2013)
Least Monthly Return	-24.75% (October 2008)
Dividends Paid For 2006	8.00%
Dividends Paid For 2013	10.00%
Bonus Paid For 2007	60.00%

**Countrywise Allocation**

**Top 5 Holdings**

Script	Country	% Exposure
<b>Emaar Properties</b>	<b>UAE</b>	<b>8.41%</b>
<b>Dubai Islamic Bank</b>	<b>UAE</b>	<b>8.22%</b>
<b>Bank Muscat</b>	<b>Oman</b>	<b>5.58%</b>
<b>Emirates NBD</b>	<b>UAE</b>	<b>5.38%</b>
<b>Qatar National Bank</b>	<b>Qatar</b>	<b>5.07%</b>

**Fund Performance\***

1 Year	3 Years	5 Years	Since Inception
48.06%	83.73%	121.88%	164.66%

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