

**MONTHLY FACT SHEET**  
**JANUARY 2013**

محفظة ضمان الإسلامية

Daman Islamic Fund



<b>Ex-Dividend NAV (AED)</b>	<b>97.98</b>
Month to Date %	5.03%
Dividends till Date (AED)	11.13
Total Returns %	-56.36%

**FUND OBJECTIVE**

- To achieve a combination of capital growth and dividend income.
- To achieve annual performance growth rate of 12-15% p.a.
- To distribute quarterly dividends based on performance.

**FUND INFORMATION**

Inception Date	June 1, 2007
Type	A Sharia Based, Open Ended UAE Focused Equity Fund
Subscriptions	Weekly
Redemptions	Monthly
Fund Manager	Daman Investments PSC
Administrator	Daman Assets LLC
Legal Advisors	Ali Al Aidarous
Regulator	UAE Central Bank
Auditors	Dahman & Co. RSM

**Fee Structure**

Subscription Fee	2% of the value of the subscription amount
Management Fee	1.50% p.a. of the Funds NAV payable weekly.
Performance Fee	15% above Hurdle Rate of 10% p.a.
Administration & Custody Fee	0.20% p.a. & 0.30% p.a. respectively, of NAV payable weekly

For Complete Information on Fees, Subscription and Redemption; please refer to Placement Memorandum

**CONTACT INFORMATION:**

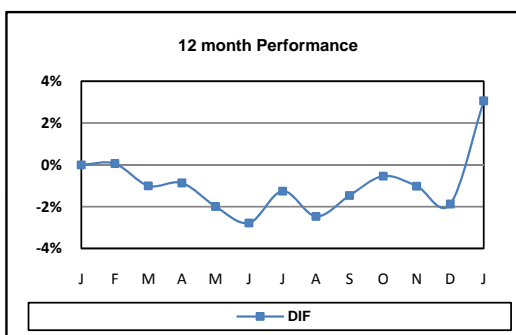
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**Market Commentary**

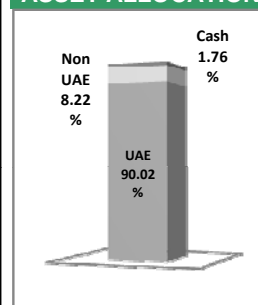
All the GCC courses started 2013 on a strong footing. The DFM was the star performer adding >16%, following on from its strong finish in 2012 which witnessed the DFM index leading the GCC courses with an annual return ca. 20%. Recovery in the property market & acceleration in business activities driven by tourism and trade are triggering a flow of new liquidity into the market. Abu Dhabi is the second best performer >9%; here the market is being propped up by massive government spending on infrastructure projects and a robust oil price. From a bottom up perspective the corporate profitability for the UAE companies in the fourth quarter was very good; as of the time of writing 22 UAE companies had reported in the month of January with the aggregate profitability coming in at ca. AED 4.7bn +14.5% y/y.

As noted in our last commentary the fund was positioned aggressively to take advantage of the strong expected rally in the new year. We first wrote about the strong outlook for Q1'2013 in our research piece entitled "UAE Equities: Is the Q1 Rally a Mirage?" (published June 2012) our markets always rally in the first quarter as investors buy ahead of the annual dividends which our companies announce in the Q4 results and pay in the first half of the year. We expected this year to be an even stronger rally given the above mentioned improving macro picture. The fund positioned aggressively into the new year by deploying risk capital into the market thereby reducing the cash level from 49% to 1.76% in January.

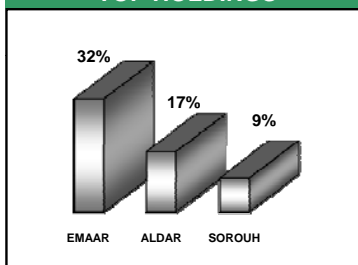
RETURNS	FUND	PERFORMANCE	FUND
<b>1 Month</b>	5.03%	<b>Dividends. (Inception)</b>	11.13
<b>3 Month</b>	3.62%	<b>Ann Div. Yield 2013</b>	N/A
<b>6 Month</b>	4.37%	<b>Standard Deviation %*</b>	1.77
<b>Year to date 2013</b>	5.03%	<b>Var*</b>	3.14
<b>Since Inception</b>	-56.36%	<b>Sharpe Ratio*</b>	0.11



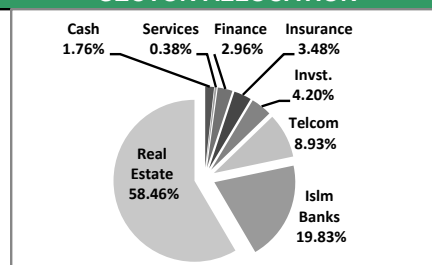
**ASSET ALLOCATION**



**TOP HOLDINGS**



**SECTOR ALLOCATION**



The Fund characteristics data are based on the Fund's Net Asset Value as of end of month valuation for the month in consideration. Application for Weekly subscriptions must be received by the Dealing date (Thursday) of any given calendar week, the minimum initial subscription is AED200,000 and thereafter in multiples of AED50,000. Units of the Fund will be redeemable, subject to lock-in-period of 6 months for Units purchased on Initial Closing Date or dealing date (Thursday) of any given calendar month. The performance indicators quoted in this report represents no guarantee of future results and past performance does not guarantee future results, they are subject to investment risk, for better understanding of these risks please refer to the detailed terms and references of the Fund.  
\* 12 Months