

MONTHLY FACT SHEET
NOVEMBER 2012

محفظة ضمان الإسلامية
Daman Islamic Fund



Ex-Dividend NAV (AED)	93.66
Month to Date %	-0.48%
Dividends till Date (AED)	11.13
Total Returns %	-58.08%

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

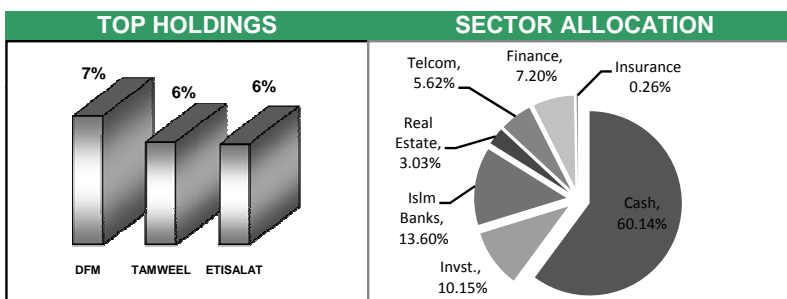
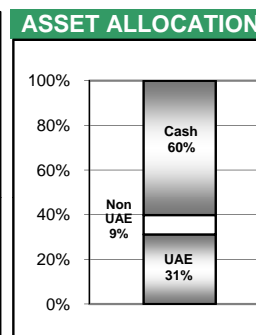
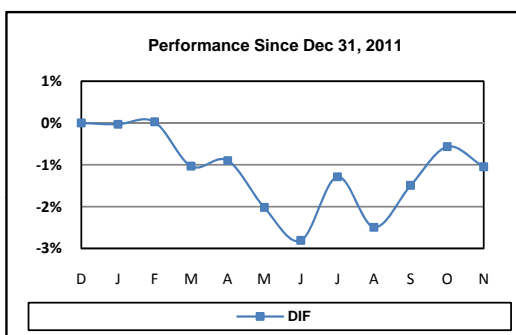
Risk appetite continued to wane during the month of November which when coupled with the ongoing geopolitical tension in the middle East helped shape the movements in the local markets. The DFM was off -0.7% breaking a 4 month period of consecutive gains. Business activity continues to pick up in the Emirate due to the successful restructuring of debt-strapped government related entities, along with a recovery in the real estate market and an increase in foreign direct investment and non-oil exports. Furthermore, corporate earnings released so far reveal continued growth in earning with Q3 '2012 earnings up ca. +25% y/y and -7% QoQ.

The ADX ended up slightly positive +0.09% marking 6 consecutive months of gains. Strong earnings, healthy oil prices and improved investor sentiment all contributed to this uptrend. Abu Dhabi corporate reported Q3'2012 earnings of +8.4% y/y +5.3% QoQ.

In terms of the fund's major holdings: DFM's quarterly loss narrowed for Q3'2012 -AED 1.7m after loss of -AED 9.3m year earlier. We continue to be of the view that liquidity will return to the market in Qtr 4'2012 and Q1'2013 thereby boosting the investment potential of the DFM.

DIB reported earnings in line as provisions offset higher revenue. Q3'2012 Net profits was AED299 million (EPS: AED0.08), +0.2% Y-o-Y/ -3.7% Q-o-Q in line with consensus expectations. Although revenue was higher than expected, its impact on earnings was diluted by higher provisioning, which rose 42.6% Y-o-Y to AED245 million, translating into an annualised cost of risk of 195bps. We suspect DIB utilised stronger revenues this quarter to build NPL coverage and de-risk its investment portfolio; the stock continues to trade on appealing valuations at 2013e P/E of 5.6x and P/B of 0.8x.

RETURNS	FUND	PERFORMANCE	FUND
1 Month	-0.48%	Dividends. (Inception)	11.13
3 Month	1.48%	Ann Div. Yield 2012	N/A
6 Month	0.99%	Standard Deviation %*	0.92
Year to date 2012	-1.05%	Var*	0.85
Since Inception	-58.08%	Sharpe Ratio*	-0.24



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