



Market Commentary

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.

NAV per Unit (AED)	83.36
Month to Date %	0.51%
Dividends till Date (AED)	49.63
Returns Since Inception %	-52.38%
Returns Since Inception % (Including Div)	-46.81%
Dividend Yield	NA

FUND INFORMATION

Inception Date	June 1, 2007
Type	Sharia Based, Open Ended UAE Focused
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
Subscription Fee	2% of the value of the subscription amount
Performance Fee	15% above Hurdle Rate of 10% p.a.
Management Fee	1.50% p.a. of the Funds NAV
Administration & Custody Fee	0.20% p.a. & 0.30% p.a. respectively, of NAV

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GCC equity markets remained buoyant in the month of June'16, which covered a large part of the holy month of Ramadan, with Abu Dhabi Securities Market General Index (ADX) ending the month up 5.8% (driven primarily by the merger announcement of two of the leading banks, FGB and NBAD) while Saudi Tadawul Index gained 0.8%. Qatar Exchange Index also moved up by 3.6% during the month. The Dubai Financial Market General Index (DFMGI) was down slightly by 0.1%, whilst, the MSCI GCC Countries Index closed in positive territory, up 0.8% for the month.

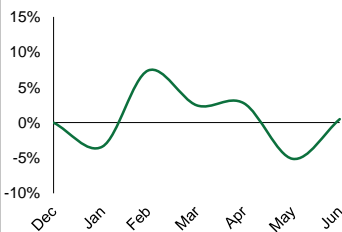
The month of June'16 saw decline in crude oil prices after four consecutive months of positive growth. WTI crude oil closed at \$48.33, down 1.6% for the month while Brent crude oil closed at \$49.68, declining by 0.02%. The decline in crude oil prices was expected given reduced instances of production outages at key suppliers such as Canada, Nigeria as well as status quo maintained at OPEC oil ministers' meeting scheduled on 2nd June 2016 with no decision taken cap production output.

Overall, we saw minimal impact from Brexit shock on GCC equity markets during June'16 with UAE government stating "limited interconnectedness" between the UAE and the UK financial systems. Also, the Saudi government disclosed that it has made only slight adjustments to assets denominated in sterling and euros after Britain's vote to exit the European Union.

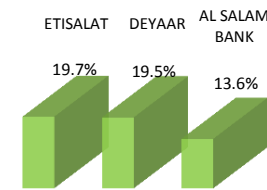
Looking ahead, we expect market volumes to remain low after Ramadan period and the upcoming summer holiday season, though selective opportunities may remain in some of the key sectors such as Banks, Real Estate and Telecom. Also, we expect further consolidation in the UAE's banking sector after the recent merger announcement of FGB and NBAD. In Saudi Arabia, the government provided key details of its NTP 2020 program that envisages creation of 450,000 jobs outside the government sector, reduction in state spending on salaries from 45% of GDP in 2015 to 40% in 2020 and raising of non-oil revenues from SAR163.5bn in 2015 to SAR530bn by 2020 by increasing government fees and taxes. In our view, sectors such as Building & Construction, Insurance and Utilities will be the direct beneficiaries of rising government spending related to NTP 2020 program and we plan to position our portfolios accordingly.

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Full Year
2012	-0.03%	0.06%	-1.19%	0.15%	-1.27%	-0.90%	1.76%	-1.37%	1.15%	1.05%	-0.54%	-0.97%	-2.13%
2013	5.64%	0.64%	-5.56%	10.88%	10.52%	-2.62%	7.29%	-6.22%	4.29%	5.48%	-1.20%	9.86%	43.95%
2014	12.86%	5.19%	5.01%	17.42%	2.23%	-18.22%	3.57%	5.47%	-1.68%	-7.20%	-2.58%	-8.69%	8.49%
2015	-6.58%	5.59%	-4.65%	15.94%	-4.19%	-7.48%	0.77%	-10.61%	-0.64%	-5.22%	-7.02%	-1.72%	-25.07%
2016	-3.39%	7.40%	2.47%	2.76%	-5.12%	0.51%							4.19%

2016 YTD Performance



Top Holdings



Fund Allocation

