



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)	85.56
Month to Date %	-0.27%
Dividends till Date (AED)	49.63
Returns Since Inception %	-51.13%
Returns Since Inception % (Including Div)	-45.93%
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

Bloomberg	DAMNISL UH
Thomson Reuters	LP65122945
Email:	info@damanfunds.ae
Call:	+971-4-4080333
Fax:	+971-4-3324240

Most of the GCC equity markets ended in the negative territory for the month of September'16. Saudi's Tadawul Index was down 7.5%, the lowest level since January 2016 with an YTD decline of 18.6%. The decline was primarily on the back of tough austerity measures announced by the government that included reduction in bonus payments and financial benefits for public sector employees and civil servants as well as 20% cut in ministers' salaries. Retail stocks were most impacted by the negative investor sentiments due to the austerity measures (Retail sub-Index down -15.4% in September 2016 and -36.2% YTD) and we believe that the decline in wages could negatively impact public savings, disposable income and spending in general. Qatar's DSM Index reported a decline of 5.0% in September'16 after witnessing a surge of +15.2% during the prior three months.

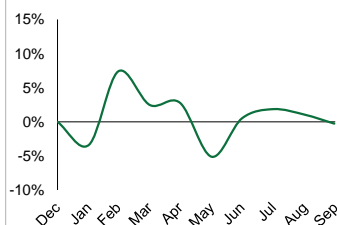
On the other hand, Abu Dhabi Securities Market General Index and Kuwait Stock Market Index remained broadly flat at +0.12% and -0.39% respectively for the month while Dubai Financial Market General Index was down -0.86%. Overall, trading activity in the GCC markets remained subdued during the month due to Eid al-Adha holidays as total value of trades declined by a third to USD 15.7bn during the month.

Crude oil prices continued their upward trajectory in the month of September'16 with WTI crude oil closing at \$48.24, gaining 7.9% for the month and Brent crude oil closing at \$49.06, up 4.3%. The price rise was further supported by end of the month announcement by OPEC to cut production for the first time since 2008, and keep total OPEC production within the range of 32.5-33.0 million barrels per day.

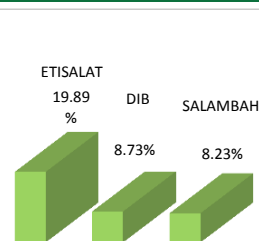
Looking ahead, we expect an increase in trading activity across the GCC markets during Q4'16. We believe that the regional equity markets are trading near their bottoms with attractive valuations on offer. Furthermore, we believe that an uptick in the crude oil prices and an expected boost in investment activity related to major planned

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%	1.86%	1.04%	-0.27%				6.93%

2016 YTD Performance



Top Holdings



Fund Allocation

