



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)	82.72
Month to Date %	-0.14%
Dividends till Date (AED)	49.63
Returns Since Inception %	-52.75%
Returns Since Inception % (Including Div)	-47.06%
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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The performance of major regional indices in the GCC region broadly remained positive during November 2016 with Saudi's Tadawul Index continuing its upward trajectory and ending the month up +16.4%, its highest monthly performance since April 2009. On the other hand, Dubai Financial Market General Index (DFMGI) closed up 0.9% while Abu Dhabi Securities Market General Index (ADSMI) was broadly flat at 0.2%. Kuwait Stock Market Index rose by +2.8% for the month, however; Qatar Exchange Index was down -3.7%.

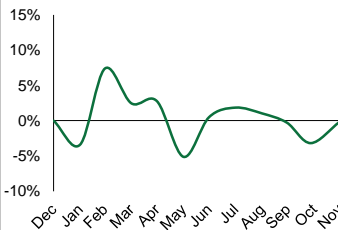
On a positive note, investor sentiments continued to be buoyed by the trading momentum during the month with total value traded in the region rising by +84.9% m-o-m to reach USD 38.6bn (+40.4% m-o-m in October 2016). In the UAE, Dubai led the upswing in volumes with total value traded rising by +161.2% in November 2016 with Abu Dhabi closely following up at +157.6%. Saudi market reported total value traded rising by +81.2% m-o-m in November 2016.

The month of November 2016 saw crude oil prices rising in anticipation of production cuts by OPEC that was further supported by major non-OPEC oil producers such as Russia. As a result, WTI crude oil closed up at \$49.44, rising by +5.5% for the month while Brent crude oil reached \$50.57, up +4.5%. The official announcement of the deal came on 30th November 2016 with the OPEC agreeing to cut production by 1.2 million barrels per day (mbd) by H1'17 while non-OPEC members are also expected to cut 0.6mbd of production by H1'17. This oil move had a positive bearing on the regional market performance.

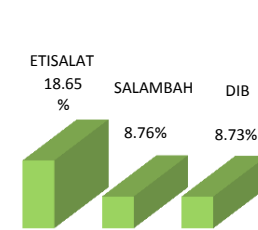
Looking ahead, we expect continued strength in trading activities in the region for the next couple of quarters. We continue to favour UAE equities given attractive valuations with DFMGI trading at an average P/E (Jan'16-Nov'16) of 11.3x vs. 11.8x in 2015 and 17.0x in 2014 while ADSMI trading at P/E of 11.4x in 2016 vs. 12.2x in 2015 and 14.1x in 2014. The valuation appeal for the UAE bourses is evident and investors will buy into the facet. However, we feel that further rally in Saudi market is less likely given the strong gains in the Tadawul Index (+32% from lows seen in Oct'16) and the implementation of difficult reforms that the country is undergoing.

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%	-3.18%	-0.14%		3.39%

2016 YTD Performance



Top Holdings



Fund Allocation

