

Badr Al-Islami Income Fund

Fact Sheet: November 2009

Fund Description

Badr Al-Islami Income Fund is a Shariah Compliant open-ended Fund incorporated in the Dubai International Financial Centre (DIFC). The Fund's objective is to achieve average annual returns of 5-7% per annum over the life of the Fund. The Fund invests primarily in Sukuk and other fixed income Shariah compliant assets.

Executive Summary

Fund Type	Shariah Compliant Fund
Domicile	DIFC, Dubai
Currency	US Dollar
Regulator	DFSA
Net Asset Value	Weekly
Liquidity	Weekly
Management Fee	0.5% p.a.
Auditor	Deloitte & Touche
Registrar, Administrator & Custodian	Deutsche Bank
Bloomberg Ticker	BADISIN
Zawya Code	MAKBIIF.MF

Fund Summary

NAV as at 24 th Nov.	10.84
Yield	7.95%
Average Coupon	3.92%
Portfolio Modified Duration	1.84
Average Maturity	2.73 years

Top Long Positions

Issuer
Dar Al-Arkan Real Estate
Dubai Government
Jebel Ali Free Zone

Peer Comparison

	1 Mnth * %	3 Mnth * %	Since Incep.** %
Badr Al-Islami Income Fund	0.96	7.83	8.44
Algebra Capital - Sukuk Fund1	-5.22	5.32	-4.83
EFH Global Sukuk Plus Fund	0.08	4.12	7.75
Jadwa Global Sukuk Fund	0.43	5.86	2.26
BNP Paribas Hilal Income Fund	-6.91	-2.76	4.26

* Last NAV date for the month may differ for each fund

** Respective fund's inception

Source: Bloomberg

Overview and Outlook

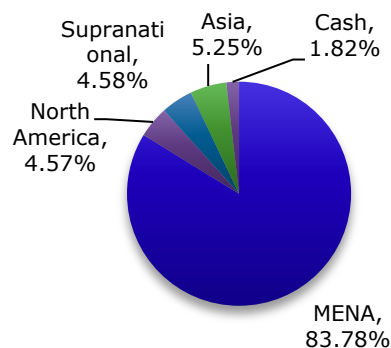
The Badr Al-Islami Income Fund has gained 0.96% for the month. The performance can be attributed to the rotation of Sukuk names as we sold securities that we thought were overvalued and bought others that we felt had more potential on the upside.

The Dubai World restructuring news was announced after our last NAV valuation for the month and hence is not reflected in the current performance numbers. Meanwhile, in our peers, Jadwa's last monthly NAV was also released before the restructuring news.

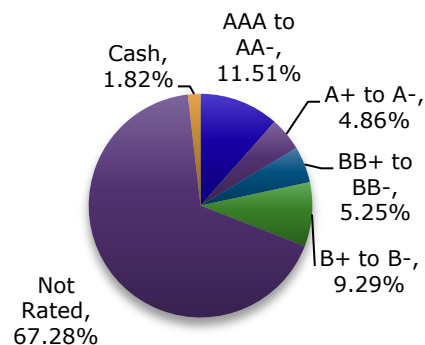
We believe that our portfolio diversification into non-Dubai names will help us avoid any significant long-term losses. However, the contagion effect of the Dubai debt crisis is expected to depress prices of a number of regional securities.

Going forward, we will continue to opportunistically pick up securities that we feel have strong fundamentals and cash flows.

Regional Composition



Ratings Breakdown



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