*Monthly Fact Sheet* *December 31, 2008*

AL MAL CAPITAL PSC

**Bloomberg Code: MALUAEQ UH**
**Zawya Code: MALEQTY.MF**
**Currency: AED**

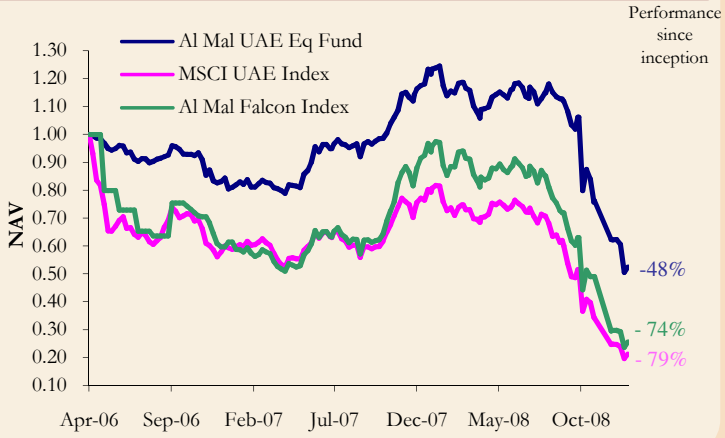
# AL MAL UAE EQUITY FUND

**NAV 0.524386** **YTD -56.88%**

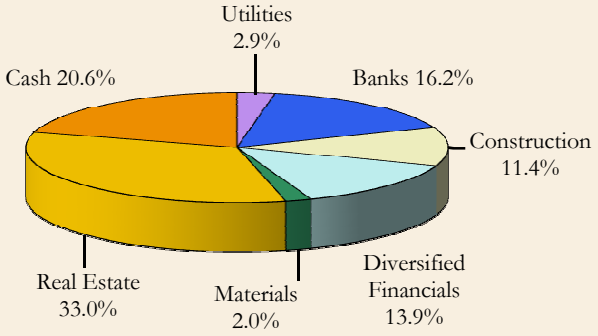
## Fund Objective

The Al Mal UAE Equity Fund's objective is to achieve medium to long-term capital growth by investing primarily in equities listed on the Abu Dhabi Securities Market (ADSM) and Dubai Financial Market (DFM).

## Fund Performance




## Fund Allocation by Sector




## Performance Track Record

| | Jan | Feb | Mar | Apr | May | Jun | Jul | Aug | Sep | Oct | Nov | Dec | YTD |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| 2006 | | | | | | | | | | | | | |
| Al Mal UAE Fund | | | | -2.7% | -1.3% | -5.4% | -0.6% | 3.0% | 0.1% | -0.5% | - 9.9% | -3.2% | -19.1% |
| MSCI UAE Index | | | | -15.9% | -12.6% | -9.2% | -2.1% | 13.9% | 0.2% | -3.7% | -15.9% | 3.7% | -37.4% |
| FALCON Index | | | | -20.1% | -8.8% | -10.5% | -2.7% | 10.6% | 1.9% | -1.6% | -15.2% | -1.7% | -41.3% |
| 2007 | | | | | | | | | | | | | |
| Al Mal UAE Fund | 0.4% | 2.0% | -3.4% | 1.4% | 18.6% | -1.3% | 0.7% | 1.3% | 2.1% | 10.0% | 5.2% | 6.4% | 50.4% |
| MSCI UAE Index | 2.1% | 1.6% | -13.1% | 3.8% | 16.7% | -2.2% | -4.2% | -1.3% | 0.4% | 23.5% | -2.1% | 9.5% | 34.5% |
| FALCON Index | -2.4% | 0.8% | -10.5% | 1.6% | 24.4% | -3.3% | -1.9% | 0.6% | 1.2% | 31.1% | 1.4% | 11.8% | 59.7% |
| 2008 | | | | | | | | | | | | | |
| Al Mal UAE Fund | -6.0% | 3.9% | -10.9% | 8.1% | 1.6% | -2.9% | 1.7% | -1.8% | -5.8% | -28.2% | -18.24% | -15.9% | -56.9% |
| MSCI UAE Index | -8.4% | 2.9% | -8.3% | 9.1% | -0.1% | -3.6% | -1.9% | -13.3% | -15.9% | -33.7% | -27.78% | -14.3% | -73.2% |
| FALCON Index | -8.6% | 9.5% | -13.7% | 8.1% | 1.2% | -3.9% | -0.7% | -15.5% | -12.4% | -30.3% | -32.77% | -13.0% | -72.8% |

## Manager's Comments

The Al Mal UAE Equity Fund was down 15.9% for the month of December versus a 14.3% decline for the benchmark. The savage beating on UAE bourses continued in December, the fifth consecutive down month and third double-digit percentage decline. For the year, the DFM General Index declined 72.4% and the ADX General Index was only slightly better, down 47.5%. Our outlook is clouded by continued credit concerns in the banking system and myriad risks in real estate, the primary driver in recent years. Until more clarity of will appears to present viable workout in these key sectors – likely outright government support for bank capital and truer price discovery in real estate – the misery will be punctuated only by brief speculative rallies. We presently hold cash and intend to use any strength to take more exposure off in these areas. However, we are beginning to see true value in unrelated industries (telecoms, defensives, energy) and will seek to increase in these areas, whether UAE or regionally.

## Fund Information

| | |
|---|---|
| Fund Manager | Al Mal Capital PSC |
| Fund Advisor | Adel Al Hosani |
| Launch Date | April 5, 2006 |
| Domicile | UAE |
| Auditor | KPMG |
| Currency | UAE Dirham (AED) |
| Subscription | Twice Monthly |
| Minimum Investment | AED 1,000,000 |
| Management Fee | 1.5% |
| NAV Calculation | Weekly and Monthend |
| NAV Publication | www.almalcapital.com<br>Arabic: Al Khaleej |
| Redemption | Monthly, 15 days' notice |

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