

Quarterly report
Q3 2022

Investment Objective

The principal investment objective of the fund is providing daily liquidity to investors while aiming to achieve the highest possible returns.

Investment Universe

- The fund invests mainly in treasury bills, treasury bonds, corporate bonds, securitized bonds and time deposits.

Subscription/Redemption

- The fund offers weekly subscriptions to investors
- The fund offers monthly redemptions to investors
- The valuation of the fund is daily
- Minimum initial investment is 100 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	April-2010
IC price	EGP 35.30127
Dividends Since Inception	EGP 0.25
Duration	2.45 Years
Fund Size	EGP 112.08 million
Bloomberg Ticker	EFGBOAF
ISIN	68074583

Fund Manager

Management company	Hermes Fund Management
Fund Manager	Karim Zaafan

Contact Details

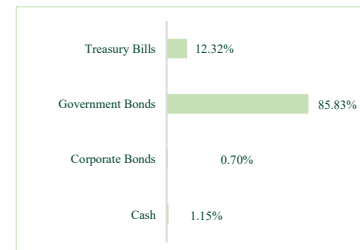
Bank of Alexandria	
Telephone	19033
Website	https://www.alexbank.com/En

Portfolio

Performance Figures*

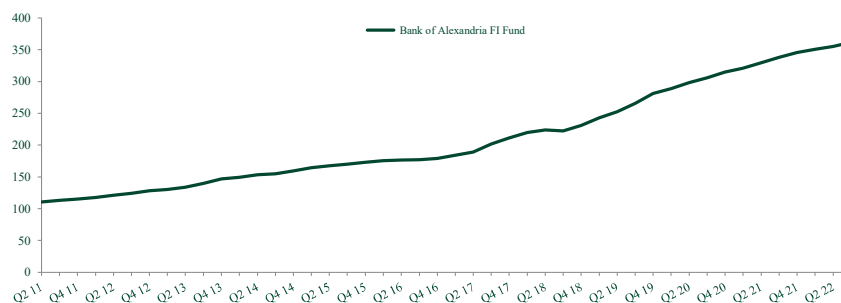
Date	Return
YTD	4.55%
2021	9.67%
2020	12.04%
2019	22.00%
5-YTD	79.22%
Since Inception	261.48%

Asset Allocation



* Simple Performance Figures

Performance



Market Outlook

During 9m 2022, Global markets have been experiencing severe economic downturn due to the following factors:

- ≡ Russia Invasion of Ukraine.
- ≡ The commodities crunch accelerating across the globe.
- ≡ Federal Reserve rate hikes.
- ≡ COVID-19 pandemic still causing slowdown to domestic growth and supply shocks.

Market Commentary

- ≡ Egypt's headline inflation rate accelerated to 14.6% in August, from 13.6% in July
- ≡ Egypt's official net international reserves registered at USD33.2bn by end of September.
- ≡ The economy grew by 6.6% in FY22 compared to 3.3% in FY21.
- ≡ The unemployment rate stabilized at 7.2% during 4QFY22.
- ≡ In its meeting on 22 September 2022, the Central Bank of Egypt (CBE) decided to keep benchmark deposit and lending rates unchanged at 11.25% and 12.25% %, respectively. On the other hand, the CBE increased the required reserve ratio to 18% from 14%.
- ≡ The quarter closed at:
 - 3Yrs: 17.60%
 - 5Yrs: 15.47%
 - 7Yrs: 14.00%
 - 10Yrs: 14.68%

Strategy

- ≡ The fund manager will let duration fall naturally, in order to navigate expected volatility and possible redemptions in the short term, while still aiming to benefit from relatively high yields in anticipation of gradual economic recovery.