

**Quarterly report**  
**Q2 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, securitization bonds and time deposits.

- Investments tenor shouldn't exceed 13 months and the weighted average duration shouldn't exceed 150 days.

**Subscription/Redemption**

- The fund offers daily liquidity to investors

- The valuation day for the fund is daily

- Minimum initial investment is 100 ICs

**Fund Details**

Type of Scheme	Open Ended
Inception date	May-2006
IC price	EGP 48.35342
Dividends Since Inception	EGP 0.00
Duration	95.78 days
Fund Size	EGP 1,945.80 million
Bloomberg Ticker	EFGALX2
ISIN	65077562

**Fund Manager**

Management company	Hermes Fund Management
Fund Manager	Yehya Abdel Latif
Assistant Fund Manager	Aly Sallam

**Contact Details**

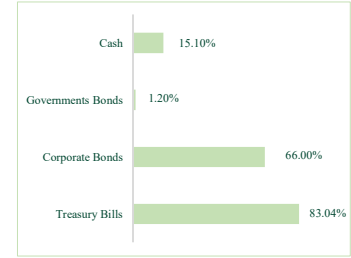
Bank of Alexandria	
Telephone	19033
Website	<a href="https://www.alexbank.com/En">https://www.alexbank.com/En</a>

**Portfolio**

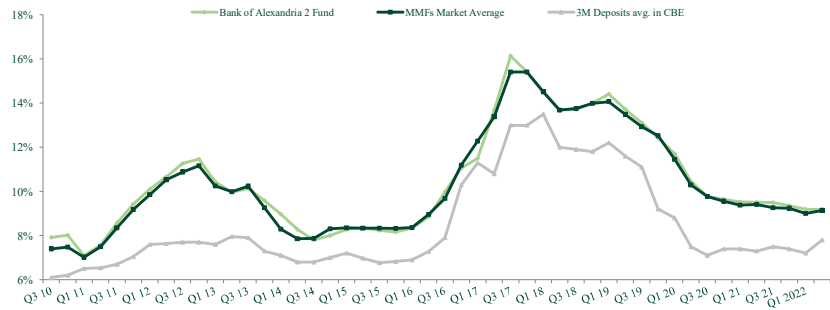
**Performance Figures**

Date	Return
Q2 2022	9.19%
YTD	9.30%
2021	9.81%
2020	10.80%
2019	14.10%
5-YTD	12.49%
Since Inception	10.24%

**Asset Allocation**



**Relative Performance**



**Market Outlook**

**During Q2 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 expected raised interest rates in March Meeting. Market expects five hikes for 2022 and another four next year.
- ≡ COVID-19 pandemic still causing slowdown to domestic growth and supply shocks.

**Market Commentary**

- ≡ Egypt's headline inflation rate accelerated to 13.5% in May 2022, from 13.1% in April.
- ≡ Moody's affirms Egypt's B2 rating, changes outlook to negative from stable.
- ≡ Egypt's parliament approved the state budget for FY22/23, with expenditure rising by 15%.
- ≡ The Central Bank of Egypt's Net International Reserves registered USD 35.5 Bn as of May 2022 compared to USD 37.1 Bn as of April 2022.
- ≡ Egypt's unemployment rate dropped to 7.2% in 1Q22, down from 7.4% in the previous quarter.
- ≡ The Central Bank of Egypt raised benchmark deposit and lending rates and the CBE's main operation rate by 200bps to 11.25%, 12.25% and 11.75%, respectively.
- ≡ The quarter closed at:
  - 3M: 15.35%
  - 6M: 15.35%
  - 9M: 15.40%
  - 1Yr: 14.10%

**Strategy**

- ≡ The fund manager will maintain low duration, in order to navigate expected volatility and possible redemptions in the short term, while still aiming to benefit from relatively high yields.