

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, securitization bonds and time deposits.

- Investments tenor shouldn't exceed 13 months.

- Weighted average durations doesn'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 10 ICs

- Maximum initial investment is 10,000 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	June-1999
IC price	EGP 1,072.99
Dividend Since Inception	EGP 2,336.24
Duration Days	68.98 days
Fund Size	EGP 817.30 million
Bloomberg Ticker	EFGCIII
ISIN	65077566

Fund Manager

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

Contact Details

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Portfolio

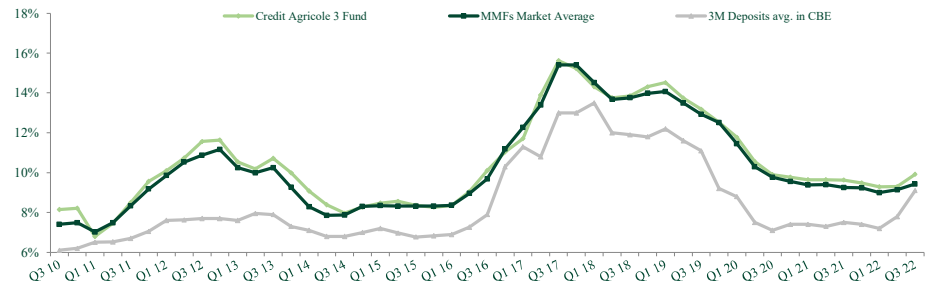
Performance Figures

Date	Return
Q3 2022	9.97%
YTD	9.76%
2021	9.95%
2020	10.92%
2019	14.19%
5-YTD	12.23%
Since Inception	10.23%

Asset Allocation

Securitized Bonds	1.03%
Government Bonds	1.34%
Treasury Bills	86.58%
Corporate Bonds	0.42%
Time Deposits	10.63%

Relative 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:
 - 3M: 15.98%
 - 6M: 16.50%
 - 9M: 16.76%
 - 1Yr: 17.35%

Strategy

- ≡ The fund manager will slightly increase duration, to benefit from higher yields, however, remaining cautious due to expected volatility and possible redemptions in the short term.