

## 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 25 ICs

### Fund Details

Type of Scheme	Open Ended
Inception date	December-2018
IC price	EGP 1,446.71
Dividends Since Inception	EGP 0.00
Duration	85.80 days
Fund Size	EGP 750.72 million
Bloomberg Ticker	MAZIDFD
ISIN	2387794

### Fund Manager

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

### Contact Details

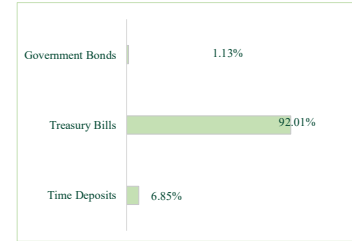
Emirates NBD	
Telephone	16664
Website	<a href="http://www.emiratesnbd.com.eg/egypt-en/">http://www.emiratesnbd.com.eg/egypt-en/</a>

## Portfolio

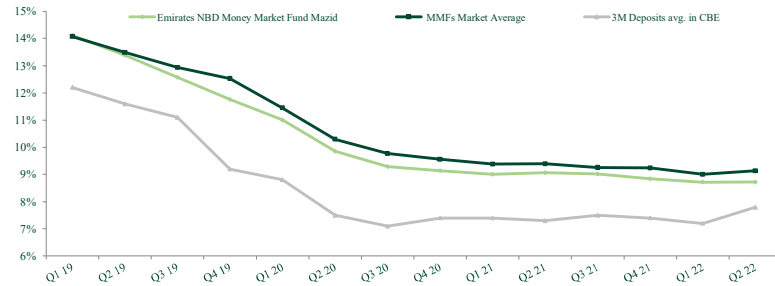
### Performance Figures

Date	Return
Q2 2022	8.73%
YTD	8.82%
2021	9.29%
2020	10.19%
2019	13.59%
Since Inception	10.93%

### 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.