

Quarterly report
Q4-2022
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 daily subscription/redemption giving clients access to daily liquidity.
- The valuation day for the fund is daily
- Minimum initial investment is 5 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	February-1999
IC price	EGP 239.85001
Dividend Since Inception	EGP 8.10
Duration Days	126.56 days
Fund Size	EGP 38.69 million
Bloomberg Ticker	SAIBTHI EY
ISIN	6507756

Fund Manager

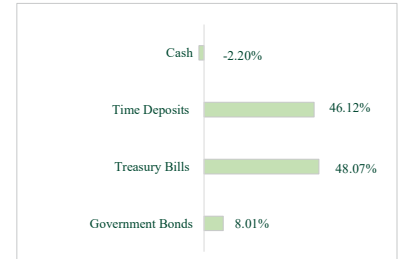
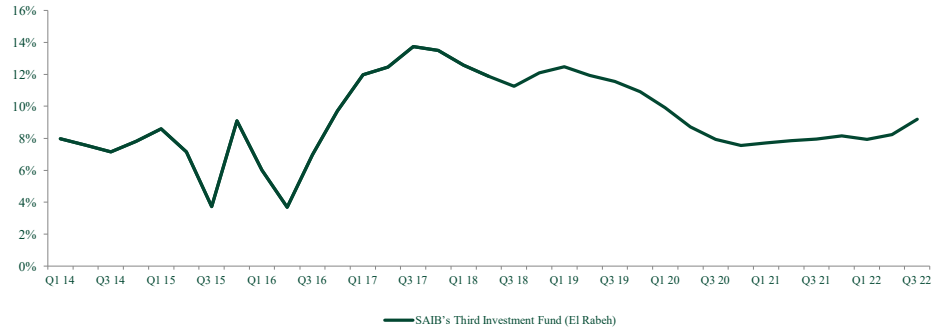
Management company	Hermes Fund Management
Fund Manager	Nabil Moussa
	Yehya Abdel Latif
Assistant Fund Manager	Mostafa Amer
	Aly Sallam
Managing since	November-2013

Contact Details

SAIB Bank	
Telephone	16668
Website	http://www.saib.com.eg/

Portfolio
Performance Figures

Date	Return
Q4-2022	10.76%
YTD	9.34%
2021	8.16%
2020	8.79%
2019	12.23%
Since Managed	9.55%

Asset Allocation

Relative Performance

Market Outlook

During 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

- ≡ Annual urban inflation has accelerated to 18.7% in November 2022. On the other hand, monthly inflation upped to 2.3% in November, impacted by weaker local currency.
- ≡ Net international reserves increased by USD470mn to USD34bn at the end of December 2022, according to central bank. This marks the four consecutive months of increase, with a total of USD850mn.
- ≡ Egypt Purchasing Managers' Index (PMI) declined to 45.4 in November from 47.7 in October, well below the 50.0 threshold that separates growth from contraction. This marks the second lowest reading since the pandemic dragged the index down in June 2020, and the 24th consecutive month of contraction.
- ≡ Egypt's economy grew 4.4% in 1QFY22/23, up from 3.3% the previous quarter according to preliminary data from the Planning Ministry. This comes down from 9.8% in 1QFY21/22. The government expects GDP growth of 5% in FY22/23.
- ≡ Egypt concluded the IMF agreement of USD3bn, with potential talks of another USD6bn, that should support FX availability.
- ≡ The Central Bank of Egypt (CBE) decided to raise the overnight deposit and lending rates, and the CBE's main operation rate by 300bps to 16.25%, 17.25%, and 16.75%, respectively.
- ≡ Quarter Closed:
 - 3m: 18.15%
 - 6m: 18.75%
 - 9m: 18.85%
 - 1Yr: 18.90%

Strategy

- ≡ The fund manager will increase liquidity in anticipation of possible redemptions, while cautiously deploying in high yield T-bills to improve performance.