

Quarterly report Q4-2023

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 276.93736
Dividend Since Inception	EGP 8.10
Duration Days	125.48 days
Fund Size	EGP 48.49 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

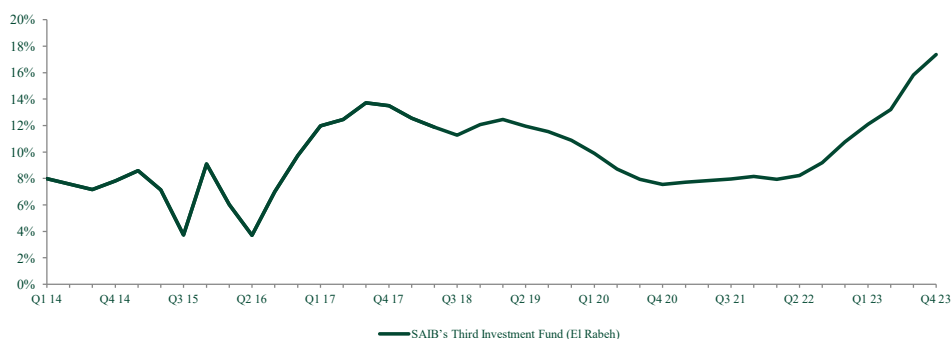
Performance Figures

Date	Return
Q4-2023	17.37%
YTD	15.46%
2022	9.34%
2021	8.16%
2020	8.79%
Since Managed	10.12%

Asset Allocation

Cash & Equivalents	-1.87%
Variable Rate Bond	4.06%
Treasury Bills	84.23%
Government Bonds	11.39%
Corporate Bonds	2.19%

Relative Performance



Market Outlook

Market Commentary

- Headline inflation eased from 35.8% in October to 34.6% in November. This came as monthly momentum inched from 1% in the previous month to 1.3%. The slowdown came on the back of continued moderation in food inflation, with prices increasing 0.2% down from 1.5% in the previous month and 3.6% in the month before.
- Egypt's current account deficit narrowed to \$2.8bn in 1Q23/24 from \$3.2bn a year earlier. This came as the trade deficit narrowed to \$7.9bn from \$9.1bn in 1Q22/23 on the back of a drop in imports to \$16.3bn. Tourism revenues grew c. 9% to \$4.5bn, while FDI saw a drop to \$2.3bn from \$3.3bn. Overall, the balance of payments recorded a surplus of \$229mn vs \$523.5mn in 1Q22/23.
- Net international reserves increased slightly to \$35.22bn in December from \$35.17bn a month earlier.
- Egypt's Purchasing Managers' Index (PMI) slightly rose to 48.5 in December from 48.4 in the previous month, marking the first uptick since last September.
- The Monetary Policy Committee (MPC) decided to keep the Central Bank of Egypt's (CBE) overnight deposit, lending rate, and the rate of the main operation unchanged at 19.25%, 20.25%, and 19.75% respectively, in its December meeting.
- Egypt's net foreign liability position narrowed to \$27bn in November from \$27.2bn in October.
- Quarter Closed:
 - 3Yrs: 24.04%
 - 5Yrs: 15.00%
 - 7Yrs: 15.50%
 - 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. Given market conditions, the fund manager will be seeking to deploy cash positions in the best short-term available option.