

**Quarterly report**  
Q2-2024

**Investment Objective**

The principal investment objective of the fund is long-term capital appreciation through achieving the highest possible risk-adjusted returns.

**Investment Universe**

- The fund invests mainly in securities of companies listed on The Egyptian Stock Exchange
- The fund can also invest in corporate bonds, securitization bonds and time deposits.

**Subscription/Redemption**

- The fund offers weekly liquidity to investors
- The valuation day for the fund is the last business day of every week

**Fund Details**

Type of Scheme	Open Ended
Inception date	September-1997
IC price	EGP 320.68
Dividends Since Inception	EGP 738.26
Bloomberg Ticker	
ISIN	

**Fund Manager**

Management company	Hermes Fund Management
Fund Manager	Nabil Moussa
Managed by EFG Since	June-23

**Contact Details**

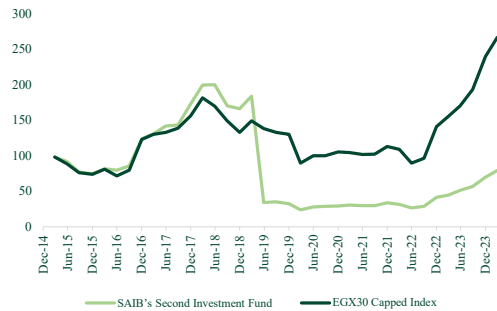
SAIB Bank	
Telephone	16668
Website	<a href="http://www.saib.com.eg/">http://www.saib.com.eg/</a>

**Portfolio**

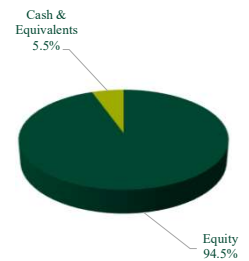
**Performance Figures**

Date	Return
Q2-2024	1.4%
YTD	15.2%
2023	68.9%
2022	23.1%
Since Managed by EFG-Hermes (26-June-2023)	56.0%
Since Inception	2970.7%

**Relative Performance**



**Asset Allocation**



**Market Outlook**

**Egyptian Market**

The market started the year strongly amid the peak of the currency crisis advancing 34.1% since the beginning of the year till a peak on March 11th. However, the market started to lose momentum afterwards given the high interest rate environment along with the drop in USD to EGP exchange rate from around EGP70 in the parallel market prior to the floatation to around EGP47 for the official rate. This led to a decline of 26.8% throughout the period from March 11th to April 30th, 2024, thus eroding all year-to-date gains and turning into negative territory down to -1.8%. The market afterwards witnessed some optimism on the back of some acquisition news mainly in El Sewedy Electric and CIRA, which led to an overall increase of 13.5% in the next couple of months thus ending 1H24 up 11.5%.

We believe that the market is trading at a P/E (24e) of 6.9x implying 25-30% discount to its historic average; therefore, we expect to see several other companies as acquisition targets given the mismatch between market prices and profitability. As a result, we see the market trading on a sideways range with continuous rotation among sectors in based on changing investment sentiments.