

## Fund Manager's Analysis

### Fund's Performance

The Fund achieved annualized returns of 10.74% net of fees and tax by the end of 2Q2012. In comparison, the three-month deposits yields reached an average of 7.63% for the same period as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 9.38% net of fees and taxes.

### Economy & Market Outlook

During the second quarter of 2012, the country completed a significant step of its political transition into a democratic state after choosing its first freely elected president. Furthermore, the Central Bank of Egypt (CBE) decided to further reduce the required reserve ratio on domestic currency deposits from 12% to 10% pumping more liquidity to the market by approximately EGP9.6 billion and lowering government borrowing costs. Towards the end of the second quarter of 2012, treasury bills issues witnessed an increase in yields reaching a net of tax high of 12.79%, 12.78%, 12.47% and 11.95% for the 1 year, 9 months, 6 months and 3 months respectively.

On the economic front, Egypt's GDP grew by 5.2% year-on-year in 3Q FY2011/2012. The growth came on the back of higher private sector investments as well as better performing economic sectors mainly tourism, construction and telecommunications. It is worth mentioning that tourism arrivals increased by 30% year-on-year during the first quarter of 2012 and is expected to reach 2010 levels in 2012; subject to political stability after the presidential elections.

Annual headline inflation declined during the quarter reaching 8.3% in May 2012 due to lower food prices while core inflation declined sharply to reach 7.2% year-on-year in May 2012. Furthermore, net international reserves had their first pick up since December 2010 during the quarter and continued its increase reaching USD15.5bn.

### Investment Strategy

The investment manager will maintain maximum average duration for the fund as allowed by the regulator aiming to provide a high overnight return ranging from 10.75% to 11.00% net of fees and tax. The fund will preserve its strong liquidity position in anticipation of volatile redemption.

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## Fund's Performance

Returns	Credit Agricole MMF (YTD ann.)
Q2-2012	10.74 %
Q1-2012	10.09 %
YTD Since (31-12-2011)	10.55 %
2011	8.47 %
2010	8.21 %
2009	7.72 %
2008	7.72 %
2007	8.82 %
2006	8.40 %
2005	10.52 %
2004	9.33%
2003	9.50 %
2002	10.60 %
1999 - 2001	11.86 %
Since Inception ( Annualized )	9.38 %
Since Inception	17.00 %

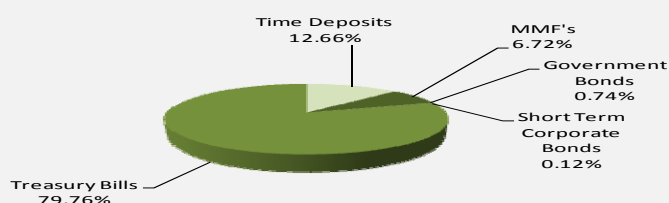
## Fund Information

IC Price (30/06/12)	EGP 1,052.61
Fund Size (30/06/12)	EGP 704,664,255
Duration (30/06/12)	Days 125
Dividends Distributed Since Inception	EGP 1192.23
Inception Date	24 June 1999
Inception Price	EGP 1000
Subscription/Redemption	Daily (No Fees) until 12 PM
Fund Management	EFG-Hermes Asset Management
Fund Manager	Khalil El Bawab
Assistant fund Manager	Yehya Abdel Latif
Reuters Lipper Code	65077566
Bloomberg Ticker	EFGCI11

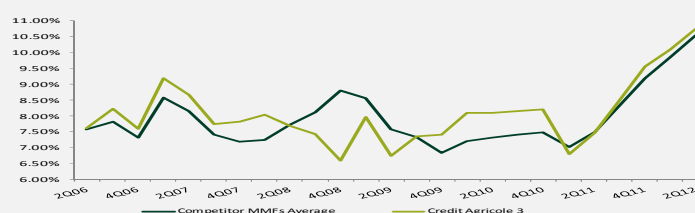
## Relative Performance

Deposits Vs CA MMF	2007	2008	2009	2010	2011	Q1 2012	Q2 2012
3M Deposits avg. in CBE	5.90%	6.50%	6.55%	6.20%	6.69%	7.60%	7.63%
CA MMF Performance	8.82%	7.72%	7.72%	8.21%	8.47%	10.09%	10.74%

## Top Holdings



## Performance



\*Note that "Competitor MMFs" are excluding EFG managed funds