

AIB Money Market Fund Quarterly Report –Q3-2015

Fund's Performance

The Fund achieved annualized returns of 8.16% net of fees and tax by the end of 3Q2015. In comparison, the three-month deposits yields reached an average of 6.77% for the same period as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 9.42% net of fees and taxes.

Economy & Market Outlook

The money market started the quarter with nearly a 15bps increase in yields, which was due to a devaluation of the EGP against the USD of 2.6%. Throughout August and September, Yields gradually dropped around 27bps due to high levels of liquidity. Towards the end of 3Q2015, the 3 month, 6 months, 9 months and 1 year treasury bills closed the quarter with an average net of tax rate of 9.00%, 9.18%, 9.21% and 9.26% respectively.

On the economic front, August witnessed the opening of the new Suez Canal project which was declared as a special economic zone and it is expected to increase the annual revenues coming from the Suez Canal from USD 5.5bn to USD9.5bn over the coming years to reach 13.2bn in 2023. In addition, Italian energy group "Eni" announced the discovery of the largest known gas field in the Mediterranean off the Egyptian coast during the month. The new Gas field is expected to hold up to 30 trillion cubic feet of lean gas representing 46% of the country's current natural gas reserves and considered to be one of the world's largest natural gas discoveries. Net international reserves fell by USD2bn during the quarter due to the absence of exceptional inflows. The annual inflation rate decreased to 7.9% in August 2015 compared to 8.3% in July 2015. Also, the government reported a balance of payment (BoP) surplus of USD 3.7bn in FY2014/2015 compared to USD1.5bn a year earlier, this came on the back of an increase in net flows and the depositary aid received from a number of GCC countries.

Investment Strategy

The fund manager will continue maintaining relatively low durations due to the expected increase in inflation that will prevail after the implementation of the Value Added Tax before the end of 4Q2015. If the latter occurs, then the manager will increase duration to the regulatory limit of 150 days to enhance the fund returns.

"Money Market Fund of the Year" by MENA Fund Manager 2014



EFG Hermes named Best Asset Manager in Egypt.



Fund's Performance

Returns	AIB MMF (YTD ann.)
Q3 2015	8.16%
Q2 2015	8.30%
Q1 2015	8.23%
YTD Since (31-12-14)	8.40%
2014	8.53%
2013	11.10%
2012	11.19%
2011	8.90%
2010	7.03%
Since Inception (Annualized)	9.42%
Since Inception	61.15%

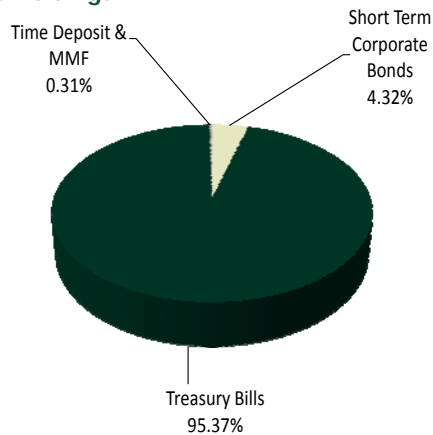
Fund Information

IC Price (30/09/15) EGP 10.62821	Subscription/Redemption Daily (No Fees) until 12 PM
Fund Size (30/09/15) 325,760,978	Fund Management EFG-Hermes Asset Management
Duration (30/09/15) Days 127.17	Fund Manager Khalil El Bawab
Dividends Distributed Since Inception EGP 5.16	Assistant fund Manager Yehya Abdel Latif
Inception Date 14 June 2010	Reuters Lipper Code 68074579
Inception Price EGP 10	Bloomberg Ticker EFGAIBM

Relative Performance

Deposits Vs AIB MMF	2010	2011	2012	2013	2014	Q1 2015	Q2 2015	Q3 2015
3M Deposits avg. in CBE	6.20%	6.69%	7.60%	7.69%	7.00%	7.20%	6.97%	6.77%
AIB Performance	7.03%	8.90%	11.19%	11.10%	8.53%	8.23%	8.30%	8.16%

Top Holdings



Performance



For Further Information:

Please visit the nearest AIB branch, or call 25792807