

## Credit Agricole Money Market Fund 3 Quarterly Report – Q4-2014

### ☰ Fund's Performance

The Fund achieved annualized returns of 8.27% net of fees and tax by the end of 4Q2014. In comparison, the three-month deposits yields reached an average of 7.0% for the same period as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 9.51% net of fees and taxes.

### ☰ Economy & Market Outlook

The money markets witnessed a very sharp drop in yields during the last quarter of year 2014. Accordingly, the market lost the effect of the 1% interest rate hike during the previous quarter. The drop in yields came on the back of improved political situation and excess liquidity in the market. It is worth mentioning that during the month of December 2014 the Central Bank of Egypt (CBE) took additional measures to cap the size of money market and fixed income funds issued by banks, which resulted in creating additional liquidity in the Egyptian market. Towards the end of 4Q2014, the 3 month, 6 months, 9 months and 1 year treasury bills reached their lowest levels during the quarter with an average net of tax rate of 9.14%, 9.30%, 9.37% and 9.43% respectively.

On the economic front, the country's annual real GDP grew by 6.8% in 1Q2014/2015 due to low base point in 1Q2013/2014 following June 30th 2013 revolution. The government expects that the economy would show 3.8% annual growth for the full fiscal year. It is worth mentioning that government expenditure on fuel subsidies in 1Q2014/2015 decreased by 29% to EGP22 billion as a result of the subsidy cuts that started during the quarter.

During the quarter, Fitch Ratings and Moody's revised their outlook on Egypt from negative to stable. The improved rating came on the back of stabilized political situation, government initiatives towards fiscal consolidation and continued strong support from GCC countries. Net international reserves reached USD 15.6 billion in December 2014 after the repayment of the USD 2.5 billion Qatari deposit. Annual headline inflation reached 10.13% in December 2014 compared to 9.09% in November 2014.

### ☰ Investment Strategy

It is expected that yields would move sideways with slight volatility until the economic summit takes place and the government provides a clear economic plan for the coming period. Accordingly, the fund manager will maintain current duration until more clarity is witnessed in the market. The manager will position the portfolio to benefit from any developments on the economic and political fronts over the coming period.

## Top performing Money Market fund in Egypt in 2013



### Fund's Performance

Returns	Credit Agricole MMF (YTD ann.)
Q4-2014	8.27%
Q3-2014	7.97%
Q2-2014	8.39%
Q1-2014	9.08%
YTD Since (31-12-2013)	8.70%
2014	8.70%
2013	10.77%
2012	11.50%
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 )	9.51%
Since Inception	309.91%

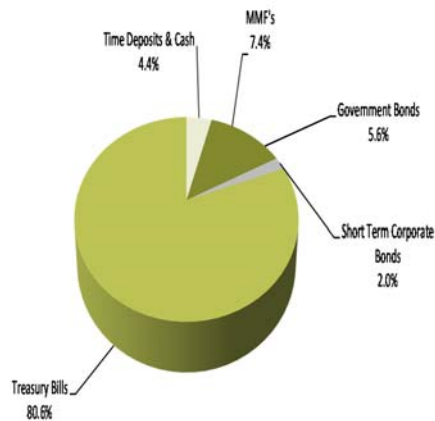
### Fund Information

IC Price (31/12/14) <b>EGP 1000.00</b>	Subscription/Redemption <b>Daily (No Fees) until 12 PM</b>
Fund Size (31/12/14) <b>EGP 1,202,529,489</b>	Fund Management <b>EFG-Hermes Asset Management</b>
Duration (31/12/14) <b>Days 137.70</b>	Fund Manager <b>Khalil El Bawab</b>
Dividends Distributed Since Inception <b>EGP 1502</b>	Assistant fund Manager <b>Yehya Abdel Latif</b>
Inception Date <b>24 June 1999</b>	Reuters Lipper Code <b>65077566</b>
Inception Price <b>EGP 1000</b>	Bloomberg Ticker <b>EFGCIII</b>

### Relative Performance (%)

Deposits Vs CA MMF	2007	2008	2009	2010	2011	2012	2013	Q1 2014	Q2 2014	Q3 2014	Q4 2014
3M Deposits avg. in CBE	5.90%	6.50%	6.55%	6.20%	6.69%	7.60%	7.69%	7.10%	6.80%	6.80%	7.00%
CA MMF Performance	8.82%	7.72%	7.72%	8.21%	8.47%	11.50%	10.77%	9.08%	8.39%	7.97%	8.27%

### Top Holdings



### Performance

