

## Credit Agricole Money Market Fund 3 Quarterly Report – Q4-2015

### Fund's Performance

The Fund achieved annualized returns of 8.26% net of fees and tax by the end of 4Q2015. In comparison, the three-month deposits yields reached an average of 6.83% for the same period as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 9.46% net of fees and taxes.

### Economy & Market Outlook

The money markets were stable during the last quarter of 2015. The market started the quarter with approximately 0.15% increase, and was followed by a drop of 0.15% once again due to excess liquidity in the market. Towards the end of the quarter the money markets witnessed a gradual increase in yields and closed the quarter a 0.05% higher. Throughout the quarter treasury bills were relatively stable until the decision to hike rates by 50bps was taken during the last Monetary Policy Committee (MPC) meeting of the year. Since the meeting was also postponed 1 week, only the 3 months and the 9 months reflected the increase by 20 basis points. The 3 months, 6 months, 9 months and 1 year treasury bills closed 4Q2015 with an average net of tax rate of 9.07%, 9.12%, 9.44%, 9.30% respectively. It is worth mentioning that the country's two largest banks aggressively increased interest rates by 2.5% on the three year certificate of deposits reaching 12.5%, the highest rate in seven years.

On the economic front, the country's GDP accelerated to 4.5% in 4Q2014/2015 compared to 3.8% a year earlier. The government announced a target GDP growth for the fiscal year 2015/2016 of 5.0% - 5.5%. Net International Reserves stabilized at USD16.4 billion by the end of November 2015. The Central Bank of Egypt (CBE) surprised the market with a currency appreciation against the USD in November 2015. The FX rate stood at EGP7.73/USD in the CBE auctions and was set at EGP7.83/USD at the banks.

### Investment Strategy

The fund manager's expectations were realized as the Central Bank of Egypt (CBE) Monetary Policy Committee raised interest rates by 50 basis points near the end of 4Q2015. However, interest rates on treasury bills and bonds are not expected to reflect the hike immediately. Accordingly, the fund manager will selectively begin building positions as treasury bills and treasury bonds rates normalize to near hike levels. The fund manager is also planning to start increasing the fund's duration once the hike is fully reflected in the primary auctions.

## Top performing Money Market fund in Egypt in 2013



### Fund's Performance

Returns	Credit Agricole MMF (YTD ann.)
Q4-2015	8.26%
Q3-2015	8.36%
Q2-2015	8.56%
Q1-2015	8.47%
YTD Since (31-12-2014)	8.68%
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)	9.46%
Since Inception	345.50%

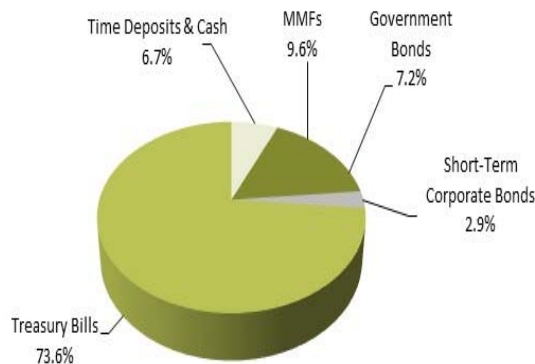
### Fund Information

IC Price (31/12/15) <b>EGP 1000.00</b>	Subscription/Redemption <b>Daily (No Fees) until 12 PM</b>
Fund Size (31/12/15) <b>EGP 904,355,299</b>	Fund Management <b>EFG-Hermes Asset Management</b>
Duration (31/12/15) <b>Days 90.12</b>	Fund Manager <b>Khalil El Bawab</b>
Dividends Distributed Since Inception <b>EGP 1589</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>EFGCI11</b>

### Relative Performance (%)

Deposits Vs CA MMF	2007	2008	2009	2010	2011	2012	2013	2014	Q1 2015	Q2 2015	Q3 2015	Q4 2015
3M Deposits avg. in CBE	5.90%	6.50%	6.55%	6.20%	6.69%	7.60%	7.69%	7.00%	7.20%	6.97%	6.77%	6.83%
CA MMF Performance	8.82%	7.72%	7.72%	8.21%	8.47%	11.50%	10.77%	8.70%	8.47%	8.56%	8.36%	8.26%

### Top Holdings



### Performance

