

Faisal Islamic Bank of Egypt Fund Quarterly Report –Q3-2015

Fund's Performance

The market volatility resumed during the third quarter as well with the significant sell off that was witnessed during the month of August specifically due to local political tensions and global economic instability. The fund performance for 3Q2015 reached -8.6% while the EGX30 showed a performance of -12.6% for the same period.

Economy & Market Outlook

On the company's front, El Sewedy Electric has reported an impressive set of results, revenues have reached EGP7.1bn and net profits in 2Q2015 amounting to EGP439m compared to EGP110m a year earlier and EGP239m in 1Q2015. Moving to Talaat Mostafa Group, the company recorded 8% year-on-year growth in net profit and 32% increase in gross profit margin. Total revenues for the company reached EGP 1.80bn showing 16% annual increase. On the telecom front, Telecom Egypt recorded 55.5% annual increase in net profit totaling EGP378 million. This jump came on the back favorable base effect after EGP739 million tax provision were taken last year for the recognition of undistributed dividends for subsidiaries and associates.

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

Due to the ongoing market volatility, the fund manager will take advantage of the liquidity position to capture attractive investment opportunities while still diversifying exposure to include defensive names and undervalued high beta names to decrease risk.

EFG Hermes Asset Management Top Asset Manager in Egypt in 2014

EFG Hermes named **Best Asset Manager** in Egypt.

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Fund's Performance

Returns	Faisal Islamic Bank Fund
Q3-2015	-8.6%
Q2-2015	-5.4%
Q1-2015	-2.2%
2014	9.9%
2013	20.5%
2012	30.2%
2011	-47.0%
2010	3.2%
2009	10.6%
2008	-37.6%
2007	34.4%
2006	6.0%
2005	63.2%
Since Inception	27.1%

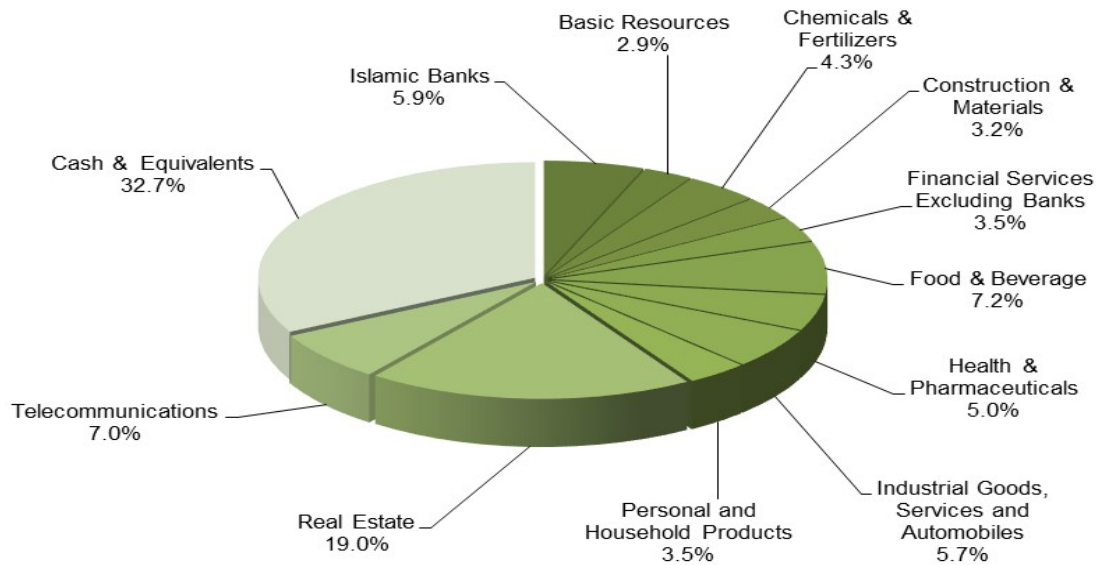
Top Holdings

T M G HOLDING	Real Estate
ELSEWEDY ELECTRIC CO	Industrial Goods, Services and Automobiles
EGYPTIAN INTERNATIONAL PHARM	Health & Pharmaceuticals
AL BARAKA BANK EGYPT E.S.C	Islamic Banks
SIX OF OCTOBER DEVELOPMENT	Real Estate

Fund Information

IC Price (28/09/15) EGP 73.9	Subscription/Redemption Weekly/ Weekly
Dividends Distributed Since Inception EGP 70.0	Fund Management EFG-Hermes Asset Management
Inception Date December 2004	Fund Manager Nabil Moussa
Inception Price EGP 100	Assistant fund Manager Mostafa Amer
Bloomberg Ticker EFGFISL	Reuters Lipper Code 65077570

Asset Allocation



For Further Information:

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