

### Fund Manager's Analysis

#### Fund's Performance

The Fund achieved annualized returns of 7.09% net of fees and tax by the end of 1Q 2011. In comparison, the three-month deposits yields reached an average of 6.50% since the beginning of 2011 as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 9.90% net of fees and taxes.

#### Economy & Market Outlook

The first quarter of 2011 witnessed high activity in the treasury bills market. With the current yield levels, the government is focusing on treasury bills as the major source of public debt with concentrated issues for the 273- and 364-days. Currently, the outstanding amount of treasury bills in the market is EGP289 billion. USD/EGP rate has rose during the quarter standing at 5.958 with USD traded volume of approximately 294 million.

The Central Bank of Egypt had announced an offering of EGP6 billion (USD1.01 billion) at a fixed rate of 9.25% in repurchase agreements in the money market. Currently the corridor offering rate is at 9.75%, adjusted to tax, that would be 12.18% which is the level where treasuries are currently trading.

On the economic front, Egypt's GDP registered 5.6% real growth during the second quarter of fiscal year 2010/2011 (4Q 2010). Due to the recent political turmoil the GDP expected growth rate for fiscal year 2010/2011 has been revised downwards from previously 6% to 3%.

February headline inflation figure has slightly decelerated to reach 10.7% year-on-year in February from 10.8% in January. Core inflation figures showed similar behavior with a slight monthly drop from 9.74% in January to 9.51% in February 2011 which is still above the assumed comfort zone of the central bank of 6-8%.

#### Investment Strategy

The fund manager's strategy for the upcoming period will focus on short term instruments to benefit from liquidity in anticipation of any hikes. The fund manager will keep a significant allocation to cash to exploit short term trading opportunities.

For Further Information:

Please visit the nearest BOA branch, or call BOA 202-37623167/68/69/70

### Fund Performance

Returns	BOA MMF (YTD ann.)
1Q 2011	7.09%
2010	7.98%
2009	8.70%
2008	8.42%
2007	8.42%
2006	9.18%
Since Inception	9.90%

### Fund Information

IC Price (31/03/11)	EGP 14.8737
Fund Size (31/03/11)	EGP 2,447,844,299
Duration (31/03/11)	Days 122
Inception Date	May 2006
Inception Price	EGP 10
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

### Relative Performance

Deposits Vs BOA MMF	2006	2007	2008	2009	2010	Q1-2011
3M Deposits avg. in banks	6.00%	5.90%	6.50%	6.55%	6.20%	6.50%
BOA MMF Performance	9.18%	8.42%	8.42%	8.70%	7.98%	7.09%

### Fund Allocation

