

**Fund Manager's Analysis**

**Fund's Performance**

The Fund achieved annualized returns of 10.50% net of fees and tax by the end of 2Q2012. In comparison, the three-month deposits yields reached an average of 7.63% for the same period as Central Bank of Egypt (CBE) statistics show. The annualized returns of the Fund since its inception reached 8.29% net of fees and taxes.

**Economy & Market Outlook**

During the second quarter of 2012, the country completed a significant step of its political transition into a democratic state after choosing its first freely elected president. Furthermore, the Central Bank of Egypt (CBE) decided to further reduce the required reserve ratio on domestic currency deposits from 12% to 10% pumping more liquidity to the market by approximately EGP9.6 billion and lowering government borrowing costs. Towards the end of the second quarter of 2012, treasury bills issues witnessed an increase in yields reaching a net of tax high of 12.79%, 12.78%, 12.47% and 11.95% for the 1 year, 9 months, 6 months and 3 months respectively.

On the economic front, Egypt's GDP grew by 5.2% year-on-year in 3Q FY2011/2012. The growth came on the back of higher private sector investments as well as better performing economic sectors mainly tourism, construction and telecommunications. It is worth mentioning that tourism arrivals increased by 30% year-on-year during the first quarter of 2012 and is expected to reach 2010 levels in 2012; subject to political stability after the presidential elections.

Annual headline inflation declined during the quarter reaching 8.3% in May 2012 due to lower food prices while core inflation declined sharply to reach 7.2% year-on-year in May 2012. Furthermore, net international reserves had their first pick up since December 2010 during the quarter and continued its increase reaching USD15.5bn.

**Investment Strategy**

The investment manager will maintain maximum average duration for the fund as allowed by the regulator aiming to provide a high overnight return ranging from 10.75% to 11.00% net of fees and tax. The fund will preserve its strong liquidity position in anticipation of volatile redemption.

For Further Information:

Please visit the nearest Audi branch, or call Audi call center 16555

**Fund's Performance**

Returns	Audi MMF (YTD ann.)
Q2- 2012	10.50%
Q2- 2012	9.95%
YTD since (31-12-2011)	10.36%
2011	8.47%
2010	7.57%
2009	7.21%
Since Inception (Annualized )	8.29%
Since Inception	9.04%

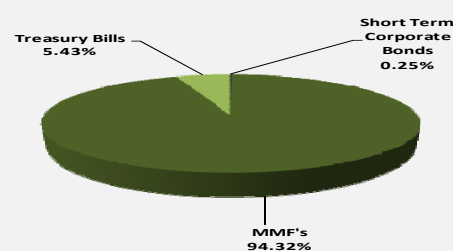
**Fund Information**

IC Price (30/06/12)	EGP 12.80318
Fund Size (30/06/12)	EGP 163,913,026
Duration (30/06/12)	Days 121
Inception Date	25 May 2009
Inception Price	EGP 10.0
Subscription/Redemption	Daily (No Fees) until 12 pm
Fund Management	EFG-Hermes Asset Management
Fund Manager	Khalil El Bawab
Assistant fund Manager	Karim Zaafan
Reuters Lipper Code	68029463
Bloomberg Ticker	EFGAUDM

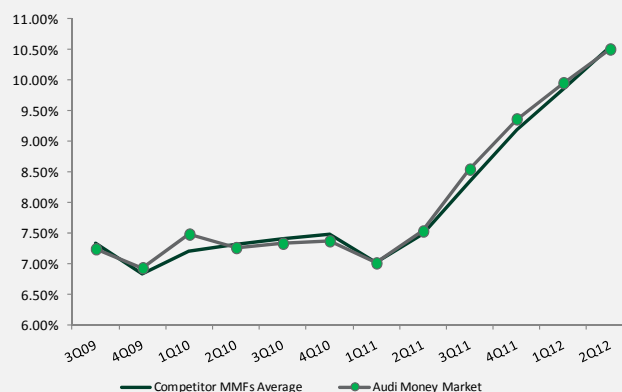
**Relative Performance**

Deposits Vs Audi MMF	2009	2010	2011	1Q-2012	Q2-2012
3M Deposits avg. in CBE	6.55%	6.20%	6.69%	7.60%	7.63%
Audi Performance	7.21%	7.57%	8.47%	9.95%	10.50%

**Fund Allocation**



**Performance**



\*Note that "Competitor MMFs" are excluding EFG managed funds