

### Fund Manager's Analysis

#### Fund's Performance

The political scene dominated the news throughout the last quarter of 2012. Mass street protests heated up the political scene while the long awaited constitutional voting took place during December 2012 witnessing strong opposition from several political parties. The market surged down during the quarter owing to large selling waves emanating from local retail investors. The fund returns for 4Q2012 reached -5.6% while the EGX30 showed a performance of -8.0% for the same period.

#### Economy & Market Outlook

Company results for 3Q2012 were announced during the quarter with some surprises to analysts. Orascom Construction Industries (OCI) announced net profit of USD127 million showing a year-on-year decrease of 31% on the back of diminished margins from its construction and fertilizers business. The company's backlog reached USD5.6 billion, a drop of 4% during the quarter. On the real estate front, SODIC announced achieving pre-sales worth of EGP1.5 billion in the first 9 months of 2012 while aiming to reach EGP2 million in FY2012. The company also announced that it's looking into increasing its land bank through directly purchasing new land spots and acquiring companies with large land banks.

On the economic front, the country's economic growth slowed to 2.6% year-on-year during the first quarter of FY2012/2013. The country witnessed an overall slowdown in economic activity, albeit some sectors showing increased growth over the same period including manufacturing and construction which have increased by 2.8% and 5.4% respectively. Net international reserves remained stable during the last quarter of the year standing at USD15 billion in December 2012 showing a year-on-year drop of 17% versus 50% in 2011. It is worth mentioning that the Central Bank of Egypt (CBE) has introduced FX auctions in an effort to protect the county's foreign reserves which caused the value of the EGP to fall against the USD reaching 6.32 EGP/USD by the end of the 2012.

#### Investment Strategy

With positive sentiment crawling back into the market, the fund manager will maintain a cautiously optimistic view during the coming period. Furthermore, equity exposure and asset allocation for the fund were adjusted by the fund manager in light of current market conditions.

For Further Information:

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#### Fund Performance

Returns	Faisal Islamic Bank Fund
Q4-2012	-5.6%
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	13.5%

#### Fund Information

IC Price	EGP 75.6
Total Distributed Dividends	EGP 61
Inception Date	December 2004
Subscription/Redemption	Weekly/Weekly
Reuters Code	65077570
Bloomberg Ticker	EFGFISL

#### Top Holdings

Holding	Sector
TELECOM EGYPT	Telecommunications
ORASCOC TELECOM HOLDING	Telecommunications
JUHAYNA FOOD INDUSTRIES	Food & Beverage
ORASCOC CONSTRUCTION INDS	Construction & Materials
AL BARAKA BANK EGYPT E.S.C	Islamic Banks

#### Asset Allocation

