

Quarterly report
Q3 2023

Investment Objective

The principal investment objective of the fund is providing daily liquidity to investors while aiming to achieve the highest possible returns.

Investment Universe

- The fund invests mainly in treasury bills, treasury bonds, corporate bonds, securitized bonds and time deposits.

Subscription/Redemption

- The fund offers weekly subscriptions to investors
- The fund offers monthly redemptions to investors
- The valuation of the fund is daily
- Minimum initial investment is 100 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	April-2010
IC price	EGP 38.66925
Dividends Since Inception	EGP 0.25
Duration	2.33 Years
Fund Size	EGP 90.55 million
Bloomberg Ticker	EFGBOAF
ISIN	68074583

Fund Manager

Management company	Hermes Portfolio and Fund Management
Fund Manager	Karim Zaafan

Contact Details

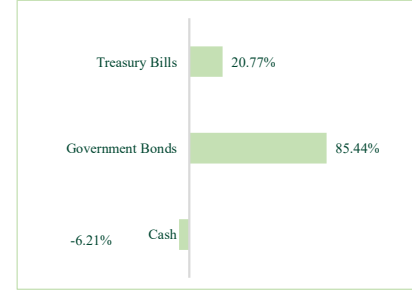
Bank of Alexandria	
Telephone	19033
Website	https://www.alexbank.com/En

Portfolio

Performance Figures*

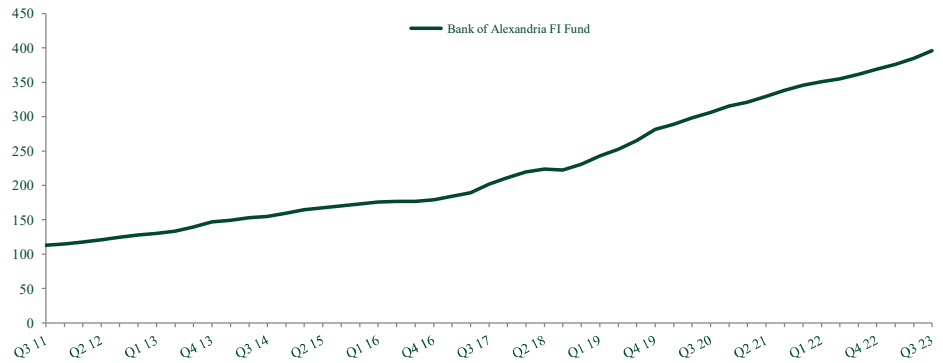
Date	Return
YTD	10.09%
2022	6.66%
2021	9.67%
2020	12.04%
5-YTD	12.25%
Since Inception	10.75%

Asset Allocation



*** Simple Performance Figures**

Performance



Market Outlook

Market Commentary

- ≡ Egypt's annual headline inflation accelerated to 37.4% in August from 36.5% in July, The annual rate reflects a monthly inflation of 1.6% down from 1.9% in the previous month, which again was mostly driven by food & beverage (up c. 2.4% MoM) and tobacco (up c. 5.8% MoM).
- ≡ Egypt's net international reserves (NIR) reached \$34.93bn by the end of August-23.
- ≡ JPMorgan placed Egypt's eligibility in its Government Bond Index - Emerging Markets (GBI-EM) series under review for three to six months, with the possibility of removal from the index if FX hurdles persist. Egypt will remain in the index during the review.
- ≡ The Monetary Policy Committee (MPC) decided to keep the Central Bank of Egypt's (CBE) overnight deposit, lending rate, and the rate of the main operation unchanged at 19.25%, 20.25%, and 19.75%, respectively in its September meeting.
- ≡ Egypt's net foreign liability position narrowed by \$360mn in August reaching \$25.9bn.
- ≡ Quarter Closed:
 - 3Yrs: 24.09%
 - 5Yrs: 15.00%
 - 7Yrs: 15.50%
 - 10Yrs: 14.68%

Strategy

- ≡ The fund manager will let duration fall naturally, in order to navigate expected volatility and possible redemptions in the short term. Given market conditions, the fund manager will be seeking to deploy cash positions in the best short-term available option.