

Quarterly report

Q4 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 39.78397
Dividends Since Inception	EGP 0.25
Duration	2.29 Years
Fund Size	EGP 91.77 million
Bloomberg Ticker	EFGBOAF
ISIN	68074583

Fund Manager

Management company	Hermes Portfolio and Fund Management
Fund Manager	Karim Zaafan

Contact Details

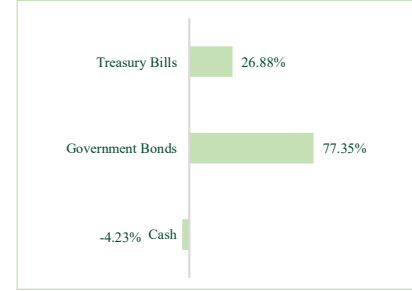
Bank of Alexandria	
Telephone	19033
Website	https://www.alexbank.com/En

Portfolio

Performance Figures*

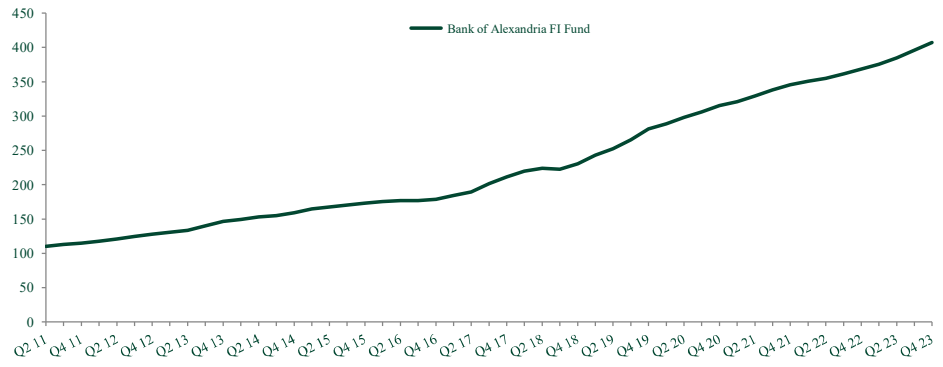
Date	Return
YTD	10.47%
2022	6.66%
2021	9.67%
2020	12.04%
5-YTD	12.04%
Since Inception	10.76%

Asset Allocation



*** Simple Performance Figures**

Performance



Market Outlook

Market Commentary

- Headline inflation eased from 35.8% in October to 34.6% in November. This came as monthly momentum inched from 1% in the previous month to 1.3%. The slowdown came on the back of continued moderation in food inflation, with prices increasing 0.2% down from 1.5% in the previous month and 3.6% in the month before.
- Egypt's current account deficit narrowed to \$2.8bn in 1Q23/24 from \$3.2bn a year earlier. This came as the trade deficit narrowed to \$7.9bn from \$9.1bn in 1Q22/23 on the back of a drop in imports to \$16.3bn. Tourism revenues grew c. 9% to \$4.5bn, while FDI saw a drop to \$2.3bn from \$3.3bn. Overall, the balance of payments recorded a surplus of \$229mn vs \$523.5mn in 1Q22/23.
- Net international reserves increased slightly to \$35.22bn in December from \$35.17bn a month earlier.
- Egypt's Purchasing Managers' Index (PMI) slightly rose to 48.5 in December from 48.4 in the previous month, marking the first uptick since last September.
- 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 December meeting.
- Egypt's net foreign liability position narrowed to \$27bn in November from \$27.2bn in October.
- Quarter Closed:
 - 3Yrs: 24.04%
 - 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.