

Quarterly report

Q1 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.

- Investments tenor shouldn't exceed 13 months.

- Weighted average durations doesn't exceed 150 days.

Subscription/Redemption

The fund offers daily subscription/redemption giving clients access to daily liquidity.

- The valuation day for the fund is daily

- Minimum initial investment is 30 ICs

Fund Details

Type of Scheme	Open Ended
Inception date	March-2012
IC price	EGP 326.890
Dividends Since Inception	EGP 0.00
Duration	79.33 days
Fund Size	EGP 477.25 million
Bloomberg Ticker	THARWAA EY

Fund Manager

Management company	Hermes Fund Management
Fund Manager	Yehya Abdel Latif
Assistant Fund Manager	Aly Sallam
Managed Since	July 2017

Contact Details

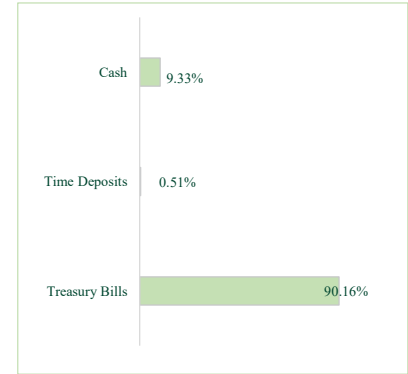
Ahli United Bank	
Telephone	19072
Website	http://www.ahliunited.com/egypt/

Portfolio

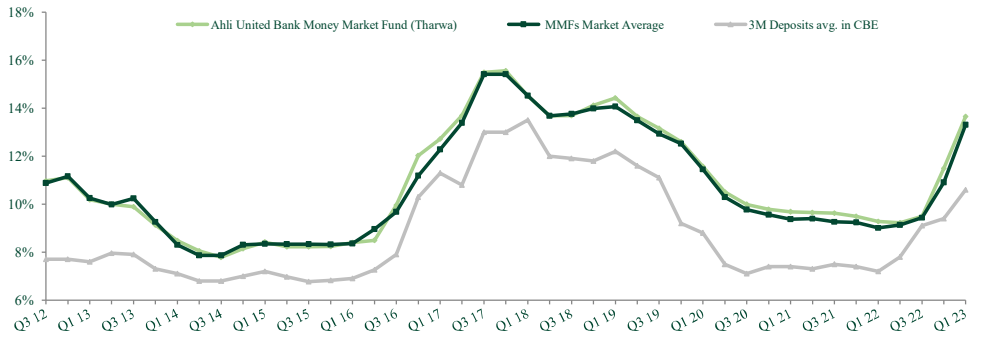
Performance Figures

Date	Return
Q1 2023	13.65%
YTD	13.65%
2022	10.25%
2021	9.96%
2020	10.88%
5-YTD	11.93%
Since Managed by EFG-Hermes (01-July-2017)	16.77%
Since Inception	11.28%

Asset Allocation



Relative Performance



Market Outlook

Market Commentary

- ≡ Egypt's annual headline inflation accelerated from 31.9% in February to 32.7% in March. The annual rate reflects an increase in monthly inflation by 2.7% down from 6.5% in the previous month. This was mostly driven by a 4.8% MoM increase in the food & beverages sub-index (now accounts for c. 40% of the CPI basket vs a base weight of c. 33%).
- ≡ Egypt's net international reserves rose by USD95m in March to USD34.447bn, according to the CBE.
- ≡ Egypt's Purchasing Managers' Index fell to 46.7 in March from 46.9 in February; the lowest reading since January 2023 yet slightly higher than the 46.5 recorded in March 2022.
- ≡ Egypt's nominal GDP rose 4.3% q-o-q in 4Q, while real GDP rose 1.1% q-o-q, according to the Ministry of Planning.
- ≡ The Monetary Policy Committee (MPC) decided to raise the Central Bank of Egypt's (CBE) overnight deposit, lending rate, and the rate of the main operation by 200bps to 18.25%, 19.25% and 18.75%, respectively.
- ≡ Egypt's external debt rose by 5.5% during 4Q2022 to USD162.9bn compared to USD154.9bn by end of September 2022. This is an 11.9% increase during the year from USD145.5bn reached by the end of 2021.
- ≡ The banking sector net foreign liabilities (NFL) widened to USD23.0bn in February from USD21.7bn in the previous month, according to CBE data.
- ≡ Quarter Closed:
 - 3m: 21.05%
 - 6m: 22.60%
 - 9m: 22.70%
 - 1Yr: 22.70%
 - 3Yrs: 21.70%
 - 5Yrs: 20.00%
 - 7Yrs: 15.50%
 - 10Yrs: 14.68%

Strategy

- ≡ The fund manager will increase liquidity in anticipation of possible redemptions, while cautiously deploying in high yield T-bills to improve performance.