

Quarterly report
Q2 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 339.199
Dividends Since Inception	EGP 0.00
Duration	97.93 days
Fund Size	EGP 411.47 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

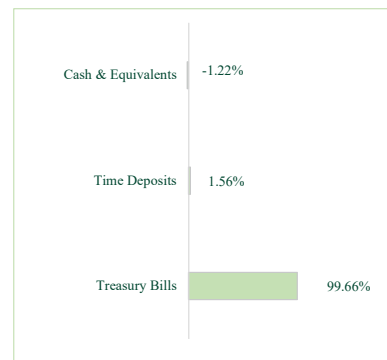
Ahly United Bank	
Telephone	19072
Website	http://www.ahliunited.com/egypt/

Portfolio

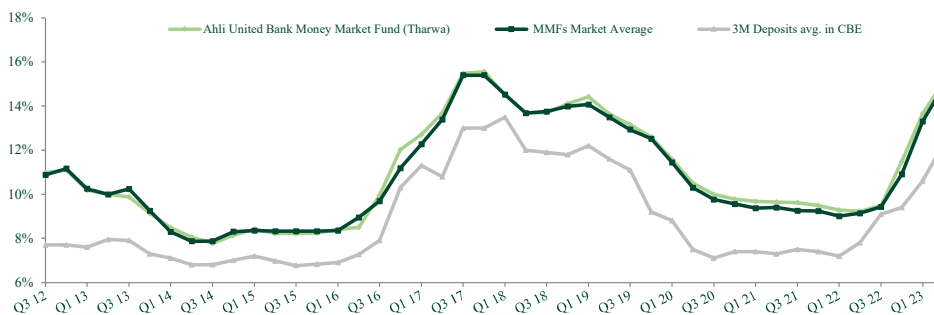
Performance Figures

Date	Return
Q2 2023	15.10%
YTD	14.64%
2022	10.25%
2021	9.96%
2020	10.88%
5-YTD	12.00%
Since Managed by EFG-Hermes (01-July-2017)	17.31%
Since Inception	11.38%

Asset Allocation



Relative Performance



Market Outlook

Market Commentary

- Egypt's annual headline inflation accelerated to 35.7% in June from 32.7% in the previous month. The annual rate reflects a monthly inflation of 2.1% (vs 2.7% in May), mostly driven by tobacco prices, which saw a c. 19% MoM increase (vs c. 5% in May). Meanwhile, food inflation moderated with a MoM rise of 1.8% (vs 4.0% in May), which is the lowest reading since August 2022.
- Egypt's net international reserves slightly increased by USD146.5mn, reaching USD34.807bn by the end of June from USD34.66bn in May. Meanwhile, the unofficial foreign reserves inched up in June by USD708mn, reaching its highest level since February-22 at USD9.58bn.
- Egypt's Purchasing Managers' Index (PMI) continued its improvement, rising to 49.1 in June from 47.8 in May. This is the highest reading since August 2021.
- In its meeting on 22 June 2023, 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 at their current level of 18.25%, 19.25% and 18.75%, respectively.
- Egypt's banking sector net foreign liability position slightly narrowed to USD24.1bn in April from USD24.3bn in the previous month, according to the Central Bank of Egypt (CBE) data.
- Quarter Closed:
 - 3m: 23.35%
 - 6m: 24.22%
 - 9m: 23.82%
 - 1Yr: 24.20%

Strategy

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