

Quarterly report Q2-2025

Investment Objective

The principal investment objective of the fund is to achieve the highest possible return through investing in medium to long term fixed income instruments

Investment Universe

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

Subscription/Redemption

- The fund offers daily subscriptions and weekly redemptions
- The valuation day for the fund is weekly

Fund Details

Type of Scheme	Open Ended
Inception date	February-1999
IC price	EGP 375.01400
Dividend Since Inception	EGP 8.20
Duration Days	406.42 days
Fund Size	EGP 60.21 million
Bloomberg Ticker	SAIBTHI EY
ISIN	6507756

Fund Manager

Management company	Hermes Portfolio and Fund Management
Fund Manager	Nabil Moussa
	Yehya Abdel Latif
Assistant Fund Manager	Mostafa Amer
	Aly Sallam
Managing since	November-2013

Contact Details

SAIB Bank	
Telephone	16668
Website	http://www.saib.com.eg/

Portfolio

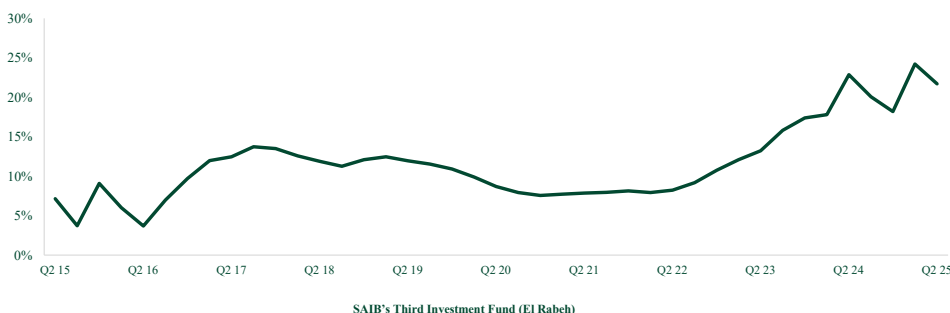
Performance Figures

Date	Return
Q2-2025	21.71%
YTD	23.60%
2024	21.23%
2023	15.46%
2022	9.34%
Since Managed	11.63%

Asset Allocation

Non-Treasury Bonds	17.2%
Treasury Bills	29.6%
Government Bonds	53.2%

Performance



Market Outlook

Market Commentary

- ≡ Egypt's GDP grew 4.8% y-o-y in Q1-2025, more than doubling from 2.2% y-o-y in the same period last year, and marking its strongest quarterly performance in three years, according to a statement from the Planning and International Cooperation Ministry.
- ≡ Annual headline inflation has been on an increasing trend throughout Q2-2025 increasing from 13.6% in March to 13.9% and 16.8% during April and May respectively. On a monthly basis, inflation was 1.9% in May versus 1.3% in April. Annual core inflation, also quickened to 13.1% in May from 10.4% in April.
- ≡ The CBE decided to start the easing cycle during April's MPC cutting overnight deposit and lending rates by 225 bps, and another 100 bps during May's MPC. Overnight deposit rate currently stands at 24%, overnight lending rate at 25%, and the main operation and discount rates at 24.50%.
- ≡ Remittances recorded a historic increase during the ten-month period (July-April of FY 2024/2025), rising by 77.1% to reach \$29.4bn (with Q1-2025 recording \$12.4bn).
- ≡ Egypt's net foreign reserves rose to \$48.526bn in May from \$48.144bn in April, and \$47.757bn in March, representing all-time highs.
- ≡ Egypt's PMI dropped to 48.8 in June 2025 from 49.5 in May 2025, indicating a steeper contraction in the non-oil private sector.
- ≡ The Finance Ministry completed a USD 1bn sovereign sukuk issuance on the Vienna Stock Exchange on Wednesday 25th of June in a private placement fully subscribed by Kuwait Finance House offering an annual yield of 7.875%
 - ≡ Average T-Bonds Net rate Q2 2025:
 - ≡ 2Yrs: 17.77%
 - ≡ 3Yrs: 17.42%
 - ≡ 5Yrs: 19.60%

Strategy

- ≡ The fund manager will pause deploying cash in longer tenors, while utilizing on the shorter end of the yield curve to increase profitability.