

Credit Agricole Mutual Fund No.1 Quarterly Report –Q3-2015

Fund's Performance

The market volatility continued during the third quarter with a significant sell off witnessed during the month of August on the back of local political tensions and global economic instability. The fund performance for 3Q2015 reached -9.4% while the EGX30 showed a performance of -12.6% for the same period.

Economy & Market Outlook

On the company's front, El Sewedy Electric has reported an impressive set of results, revenues have reached EGP7.1bn and net profits in 2Q2015 amounting to EGP439m compared to EGP110m a year earlier and EGP239m in 1Q2015. Commercial International Bank (CIB) reported 23% year-on-year increase in net profit reaching EGP1.15bn. Total interest income grew by 18%, total loans showed annual growth of 21% reaching EGP59.3bn, while deposits grew by 30% over the same period reaching EGP143bn. Moving to Talaat Mostafa Group, the company recorded 8% year-on-year growth in net profit and 32% increase in gross profit margin. Total revenues for the company reached EGP 1.80bn showing 16% annual increase. On the telecom front, Telecom Egypt recorded 55.5% annual increase in net profit totaling EGP378 million. This jump came on the back of favorable base effect after EGP739 million tax provisions were taken last year for the recognition of undistributed dividends for subsidiaries and associates.

On the economic front, August witnessed the opening of the new Suez Canal project which was declared as a special economic zone and it is expected to increase the annual revenues coming from the Suez Canal from USD 5.5bn to USD9.5bn over the coming years to reach 13.2bn in 2023. In addition, Italian energy group "Eni" announced the discovery of the largest known gas field in the Mediterranean off the Egyptian coast during the month. The new Gas field is expected to hold up to 30 trillion cubic feet of lean gas representing 46% of the country's current natural gas reserves and considered to be one of the world's largest natural gas discoveries. Net international reserves fell by USD2bn during the quarter due to the absence of exceptional inflows. The annual inflation rate decreased to 7.9% in August 2015 compared to 8.3% in July 2015. Also, the government reported a balance of payment (BoP) surplus of USD 3.7bn in FY2014/2015 compared to USD1.5bn a year earlier, this came on the back of an increase in net flows and the depositary aid received from a number of GCC countries.

Investment Strategy

Due to the ongoing market volatility, the fund manager will take advantage of the liquidity position to capture attractive investment opportunities while still diversifying exposure to include defensive names and undervalued high beta names to decrease risk.

EFG Hermes Asset Management Top Asset Manager in Egypt in 2014

EFG Hermes named **Best Asset Manager** in Egypt.

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Fund's Performance

Returns	Credit Agricole Bank Mutual Fund No.1
Q3-2015	-9.4%
Q2-2015	-4.9%
Q1-2015	-1.1%
YTD	-14.8%
2014	24.1%
2013	27.7%
2012	38.4%
2011	-43.0%
2010	12.3%
2009	15.0%
2008	-42.8%
2007	50.0%
2006	15.4%
2005	70.1%
2004	69.0%
2003	63.4%
2002	11.1%
2001	-16.9%
2000	-14.4%
1999	11.0%
1998	-17.7%
1997	15.1%
Since Inception	727.0%

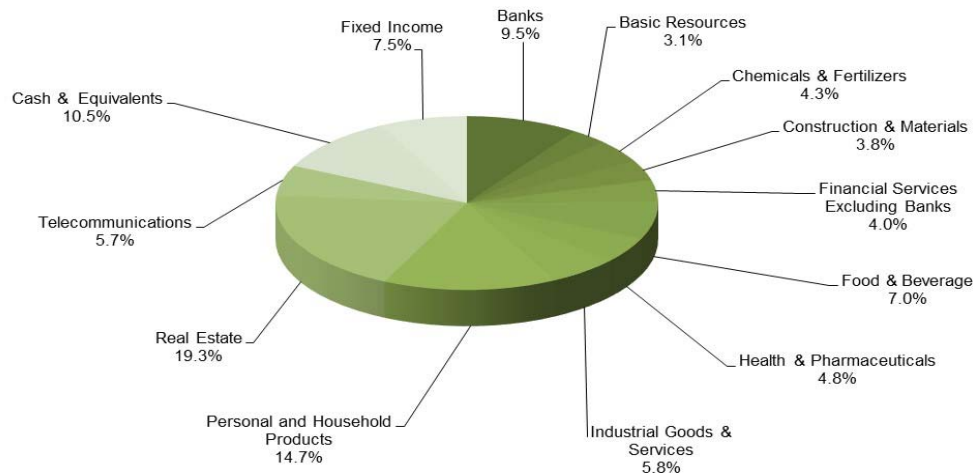
Top Holdings

Holding	Sector
EASTERN TOBACCO	Personal and Household Products
COMMERCIAL INTERNATIONAL BANK	Banks
T M G HOLDING	Real Estate
ELSEWEDY ELECTRIC CO	Industrial Goods, Services & Automobiles
EGYPTIAN INTERNATIONAL PHARMACEUTICALS	Health & Pharmaceuticals

Fund Information

IC Price (22/09/15) EGP 221.32	Subscription/Redemption Weekly / Weekly
Dividends Distributed Since Inception EGP 267.75	Fund Management EFG-Hermes Asset Management
Inception Date October 1994	Fund Manager Nabil Moussa
Inception Price EGP 100	Assistant fund Manager Mostafa Amer
Bloomberg Ticker EFGCRAI	Reuters Lipper Code 65077564

Asset Allocation



For Further Information:

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