

## Banque du Caire Mutual Fund No. 1

### Quarterly Report –Q1-2015

#### Fund's Performance

The market started the year with a positive thrust and a strong buying from regional investors. However, lack of liquidity coupled by investors raising cash for the highly anticipated Orascom Construction and Edita initial public offerings (IPOs) during the quarter pressured the market towards the end of the quarter. The fund performance for 1Q2015 reached -1.5% while the EGX30 showed a performance of 1.4% for the same period.

#### Economy & Market Outlook

Orascom Construction successfully listed 11% of its shares on the Egyptian Stock Exchange during the quarter. The offering was covered 5.5x in the private placement and 3.5x in the public placement. Furthermore, Edita also listed 30% of its shares on the Egyptian Stock Exchange. The company's offering was successfully covered 13.4x in the private placement and 4.5x in the public placement.

On the company's results front, Commercial International Bank (CIB) reported notable improvements in net interest income, fee and loan income, credit quality and a much lower provisioning costs in 4Q2014 result. Net income for the quarter reached EGP1.0bn showing 36% year-on-year increase. Six of October for Development and Investment Company (SODIC) reported net income for FY2014 of EGP 154 million versus a net loss of EGP 477 million in FY2013. The company's operations showed a strong recovery in 2014 with net contracted sales growing 24% year-on-year, cancellations dropping to 5% from 9% in 2013 and cash collections growing 59% over the same period. Talaat Mostafa Group finally reached a resolution for its Madinaty land dispute agreeing to pay New Urban Communities Authority (NUCA) EGP3bn in addition to increasing the government's share of fully-finished residential units in the project. The company also released resilient FY2014 results with net income reaching EGP 682 million showing 16.5% annual growth.

The Egyptian Economic Development Conference was the highlight of the quarter witnessing massive attendance from regional and international delegates; showing an evident success. The total value of investments, loan agreements, and grants secured during the conference reached USD60.0bn, of which USD36.2bn were in the form of investment agreements, USD18.6bn in EPC contracts, and USD5.2bn in loans signed with the Ministry of International Cooperation. On top of that, GCC countries announced additional investments and deposits at the Central Bank of Egypt (CBE) worth USD12.5bn. Egypt's GDP showed 4.5% growth in 2Q2014/2015 versus 1.4% in 2Q2013/2014 showing economic recovery post the reform measures implemented in 2014. It is worth mentioning that during the quarter the Central Bank of Egypt (CBE) allowed the EGP to depreciate against the USD by almost 6% reaching EGP7.53/USD in addition to imposing a limit on USD cash deposits in banks, thus, eliminating the gap between the black and official market.

#### Investment Strategy

The fund manager started building positions in real estate and construction plays that are expected to benefit the most with the mega infrastructure and real estate projects announced during the economic conference. The manager will also capture any attractive investment opportunity in IPOs taking place over the coming period.

"Best Egypt Equity Fund of 2013" by Zawya



EFG Hermes named Best Asset Manager in Egypt.



### Fund's Performance

Returns	Banque du Caire Mutual Fund
Q1-2015	-1.5%
2014	26.6%
2013	31.3%
2012	43.1%
2011	-47.2%
2010	-8.4%
2009	-4.7%
2008	-52.0%
2007	55.0%
2006	12.4%
2005	80.6%
2004	71.1%
2003	57.3%
2002	14.1%
2001	-13.1%
2000	-12.9%
1999	13.5%
1998	-14.9%
1997	22.0%
Since Inception	618.6%

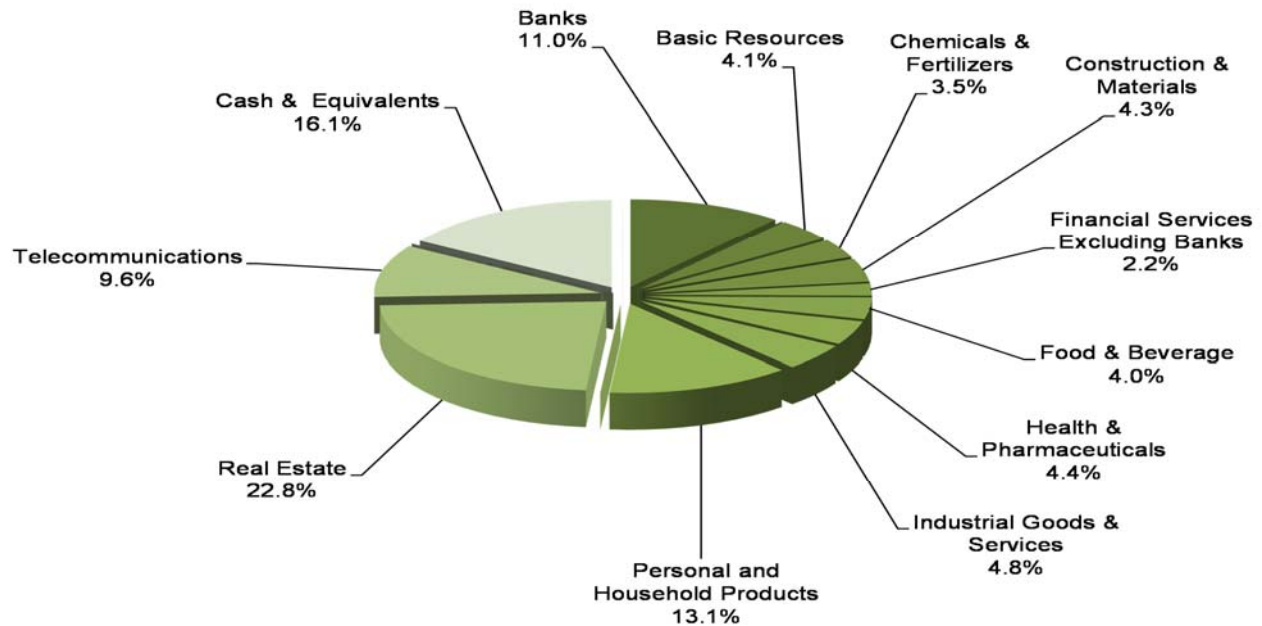
### Top Holdings

Holding	Sector
COMMERCIAL INTERNATIONAL BANK	Banks
EASTERN TOBACCO	Personal and Household Products
T M G HOLDING	Real Estate
Global Telecom	Telecommunications
SIX OF OCTOBER DEVELOPMENT	Real Estate

### Fund Information

IC Price (26/03/15) EGP 71.9	Subscription/Redemption Daily except Thursday / Weekly
Dividends Distributed Since Inception EGP 0	Fund Management EFG-Hermes Asset Management
Inception Date November 1995	Fund Manager Nabil Moussa
Inception Price EGP 10	Assistant fund Manager Mostafa Amer
Bloomberg Ticker EFGBNOA	Reuters Lipper Code 65077563

### Asset Allocation



For Further Information:

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