

### Fund Manager's Strategy & Outlook

The market resumed its downward trend for the third consecutive month on the back of heightened uncertainty on the new capital gain tax law coupled by foreign currency shortage repelling foreign investors. However, the fund continued beating the HFI index shedding -4.2% versus -6.1% for the index bringing its year-to-date performance to -10.0% and outperforming the index by 3.5%.

Edita Food Industries dominated the trading scene in the first days of the month with 16% increase in share price in its first trading day and closing the month with a 36.9% increase in its share price. The company announced its plans to invest EGP350 million in 2015 with 5 new production lines showing a 40% increase in its annual production. The company also seeks to expand its brands distribution to 12 more markets in the MENA region and expects sales to reach EGP2.5 billion during the year. Eastern tobacco also announced investment plans for the FY2015/2016 worth EGP748 million. A bulk of EGP515 million is allocated to renew the company's plants and equipment. The company also announced its results for 3Q2014/2015 with a year-on-year increase in revenues of 8.3% reaching EGP1.8 billion. However, the company's revenues declined on a quarterly basis due to a temporary demand shock after the increase in local brands prices in February 2015. Commercial International Bank (CIB) finalized their due diligence process and submitted a binding offer to the Egyptian Financial Supervisory Authority (EFSA) to acquire Citibank's Egyptian retail portfolio. The value of the offer is still not disclosed by the bank. After announcing their FY2014 results, Telecom Egypt, Oriental Weavers and Medinet Nasr Housing announced a dividend per share distribution of EGP0.2, EGP0.4 and a 0.25:1 stock dividend respectively.

On the economic front, Egypt received the USD6.0 billion deposit from the GCC at the Central Bank of Egypt. Accordingly, net international reserves jumped to USD20.5 billion by the end of April 2015 reaching their highest level in three years. The Central Bank of Egypt announced that FX liquidity would improve over the coming period with the GCC deposits allocated to meet the pent-up import demand and repatriation backlog. Annual headline inflation accelerated to 11.5% in March 2015 compared to 10.6% in the previous month. This came on the back of low base effect and a weaker currency.

Given the volatility witnessed in the stock market's performance during April 2015, the fund manager will maintain his cautious view on the market over coming period. The manager will remain well positioned in defensive consumer names and deep value real estate and construction companies that are expected to outperform.

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### Objective

The principal objective of the fund is long term capital appreciation through investing in Egyptian equity and equity-related securities.

### Fund Performance

Returns	Egypt Fund
Month to Date	-4.1%
Year to Date	-10.0%
2014	19.5%
2013	16.7%
2012	46.4%
2011	-53.6%
2010	8.5%
2009	12.8%
2008	-46.2%
2007	61.9%
2006	8.6%
2005	130.7%
2004	113.1%

### Fund Information

NAV per share	USD 36.09
Launch Date	August, 1996
Listing	Irish Stock Exchange
Structure	Open Ended
Management fee	1.75%
Minimum Subscription	USD 10,000
Subscription/Redemption	Weekly

### Fund Identifiers

ISIN	BMG2948Y1093
Sedol	0-306-504
Reuters Code	LCFR13, RSJA55, CLSA51, WDRIFMEA1, ABNFUNDS15
Bloomberg Ticker	EFGHEGY BH

### Fund Characteristics

No. of Holdings	23
Beta	0.8
Sharpe Ratio	0.2

### Top Holdings

Holding	Sector	% Holding
Commercial International Bank	Banking	19.3%
T M G Holding	Real Estate	9.8%
Eastern Tobacco	Health & Pharma.	8.1%

### Allocation By Economic Sector

