

### Fund Manager's Strategy & Outlook

The market resumed its upward trend during the month of May 2013. Positive momentum was witnessed since the beginning of the month owing to restored investor confidence in selective stocks on the back of positive market news. The fund delivered strong monthly return of 2.8%, outperforming the market by 4.9% on a year to date basis.

Company results for 1Q2013 were strong as well supporting the market movement. On the banking front, Commercial International Bank (CIB) started the year with a strong performance reporting net profit of EGP658 million showing a 30% year-on-year growth. The growth came on the back of a strong operating income due to improved net interest and non-interest income. Talaat Mostafa Group (TMG) reported 17% year-on-year increase in its 1Q2013 consolidated revenue reaching EGP1.5 billion. The group's net profit grew 24% quarter-on-quarter reaching EGP139 million while new sales reached EGP1.8 billion showing a year-on-year and quarter-on-quarter growth of 64% and 92% respectively. Sidi Kerir Petrochemicals reported robust 1Q2013 results with the company's net profit showing a 56% year-on-year increase reaching EGP317 million.

International financial aid continued to overhaul bits and pieces of the country's dire economic situation. Egypt received the promised USD 3bn Qatari budget support during the month in addition to selling USD2.7 billion euro notes which boosted the foreign reserve balance reaching USD 16bn in May 2013 versus USD 14.4bn during the previous month. The FX rate decelerated the devaluation pace owing to continued budget support. The FX rate stood at EGP6.98/USD at the end of the month with the government announcing an official FX target of EGP7.30/USD throughout FY2013/2014.

In anticipation of increasing political tension and market volatility over the coming period, the fund manager will maintain a cautious stance positioning the fund's equity investments in blue chips and defensive stocks while maintaining a large cash position to be utilized in potential short term trading opportunities.

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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	2.8%
Year to Date	-5.6%
Q1 2013	-8.9%
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 27.14
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	20
Beta	0.81
Sharpe Ratio	0.01

### Top Holdings

Holding	Sector	% Holding
Orascom Construction Inds	Construction	18.5
Commercial International Bank	Banking	13.0
Orascom Telecom Holding	Telecom	12.9

### Allocation By Economic Sector

