

### Fund Manager's Strategy & Outlook

Confidence in the economy and in more stability on the political level continued to drive the market higher during the month of November 2013. With positive progress on the country's road map the market saw a good rally, recording a 3-year high for the index. However, towards the end of the month, the market took a dive with investors locking-in gains coupled by political tensions after imposing the protest law. The fund continued to outperform the market with a year to date return of 10.8% versus 6.6% for the HFI index.

On the companies' front, results announcements for Q3 2013 dominated the scene during the month with Commercial International Bank (CIB) recording EGP 920 million in net income, showing a 51% increase year-on-year. This was mainly due to provision cuts by the bank, along with improved margins driven by improved deposit mix. On the telecom front, Global Telecom Holding reported its Q3 2013 results beating expectations on the bottom line after recording USD 46 million in net income, due to a one-off FX gain of USD 12.7 million. Moreover, Telecom Egypt reported impressive Q3 results, showing an increase of 15.6% year-on-year with EGP 2.86 billion in revenues due to an increase in domestic wholesale, international carrier, and international cables revenues.

On the economic side, the government is planning to launch a second stimulus package worth EGP 24 billion as a way to drive recovery in GDP growth. Moreover, additional aid from GCC countries totaling USD 11 billion is now under negotiation. Standard & Poor's Ratings has raised its sovereign credit ratings for Egypt to B-/B<sup>1</sup> from CCC+/C, with a stable outlook. Meanwhile, net international reserves remained stable at USD 18.6 billion during October 2013. Headline inflation increased during the month of October reaching 10.5% compared to 10.1% in the previous month. The increase was seasonally driven which was evident in rising food prices, education and butane cylinder prices.

The fund manager will maintain the level of equity exposure for the coming period. The fund is well positioned to benefit from the upcoming milestones on the economic and political fronts, including increased foreign aid from GCC countries as well as the highly anticipated constitutional referendum.

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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	3.4%
Year to Date	10.8%
Q3 2013	21.0%
Q2 2013	-8.6%
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 31.9
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	21
Beta	0.81
Sharpe Ratio	0.1

### Top Holdings

Holding	Sector	% Holding
Commercial International Bank	Banking	16.9
Global Telecom	Telecom.	15.0
Telecom Egypt	Telecom.	9.4

### Allocation By Economic Sector

