

## Faisal Islamic Bank of Egypt Fund 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 -2.2% 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, 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.

## 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	Faisal Islamic Bank Fund
Q1-2015	-2.2%
2014	9.9%
2013	20.5%
2012	30.2%
2011	-47.0%
2010	3.2%
2009	10.6%
2008	-37.6%
2007	34.4%
2006	6.0%
2005	63.2%
Since Inception	47.0%

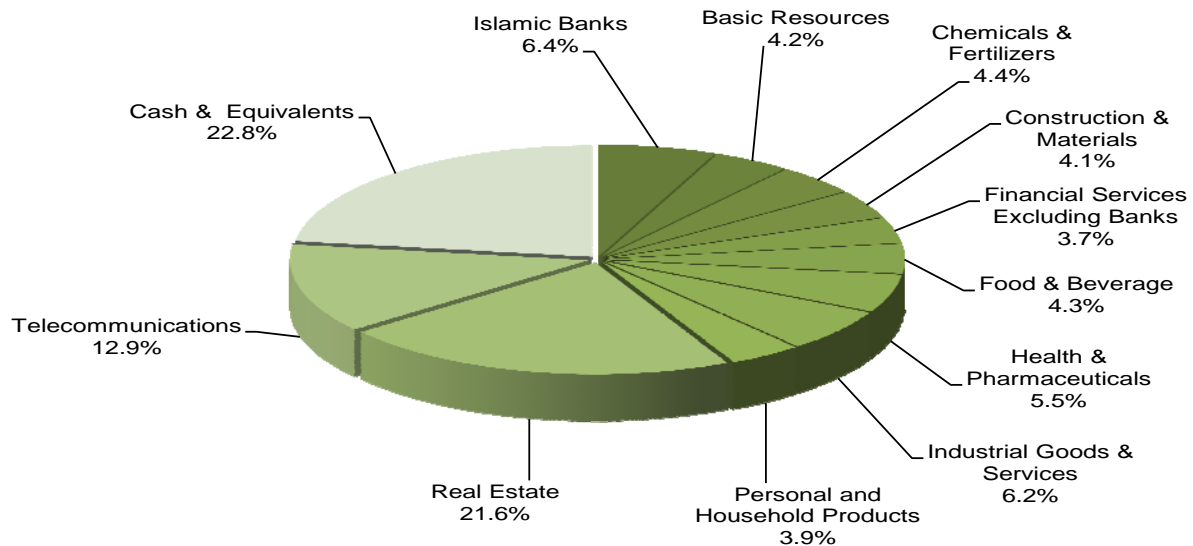
### Top Holdings

Holding	Sector
T M G HOLDING	Real Estate
Global Telecom	Telecommunications
ELSEWEDY ELECTRIC CO	Industrial Goods & Services
EGYPTIAN INTERNATIONAL PHARMACEUTICAL	Health & Pharmaceuticals
SIX OF OCTOBER DEVELOPMENT	Real Estate

### Fund Information

IC Price (26/03/15) EGP 85.5	Subscription/Redemption Weekly/ Weekly
Dividends Distributed Since Inception EGP 70.0	Fund Management EFG-Hermes Asset Management
Inception Date December 2004	Fund Manager Nabil Moussa
Inception Price EGP 100	Assistant fund Manager Mostafa Amer
Bloomberg Ticker EFGFISL	Reuters Lipper Code 65077570

### Asset Allocation



For Further Information:

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