

Istethmar Fund Monthly Fact Sheet May 2019

Fund Objective

The Fund's objective is to create an investment vehicle that offers capital appreciation through moderate risk investment tools. The Fund invests mainly in local stocks, and GDR's.

General Information

Asset Manager	CI Asset Management
Fund Manager	Abdelkader Ashraf – CIAM
Type	Equity Fund
Base Currency	EGP
Structure	Open-Ended Egyptian Mutual Fund
Fund launch	April 2006
Close of financial year	31 Dec
Initial Size	EGP 100 million
Min. Subscription	1 Investment Certificates
Subscription/Redemption	Daily Subscription except last working day. Weekly Redemption on the first working day
Subscription/Redemption Fee	0.25%/0.25%

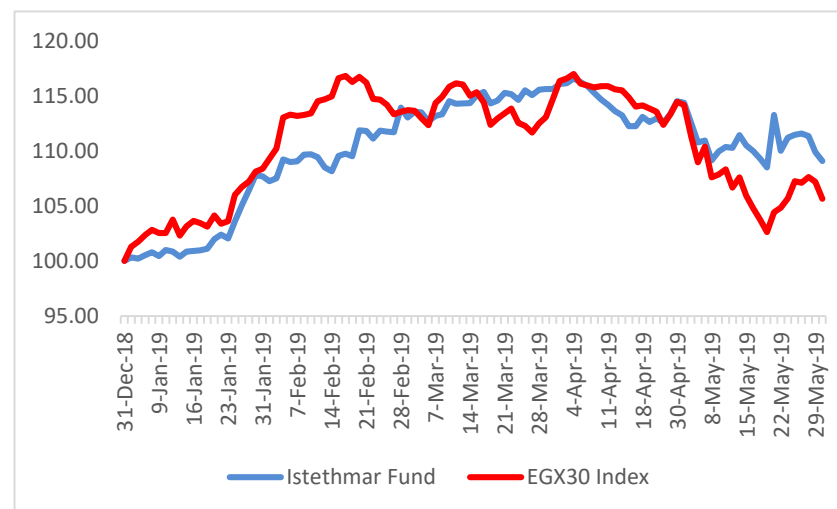
Investment Guidelines

- Equity 95%
- Fixed Income 30%
- Stock 15%
- Sector 30%
- Other mutual funds 20%

Fund performance

NAV as of 30 May 2019	EGP 213.73
4 weeks Return	-4.74%
YTD Return	9.08%

Istethmar Fund vs. EGX 30 YTD Return



Economic Highlights

- Ministry of Finance to lower price of customs dollar for recreational goods
- Egypt's annual inflation fell to 11.1% in Dec18
- April PMI at 50.8 vs. 49.9 in March
- 9MFY18/19 budget deficit drops to 5.3% of GDP vs. 6.2% in FY17/18
- Egypt targets inflation rates below 10% in FY19/20, 6-7% in FY20/21
- Egypt to cancel application of third tranche of stamp duty on EGX transactions, keeping it at EGP1.50/k for buyers, sellers
- Egypt's foreign debt rises 16.5% y-o-y to USD96.6bn by end-2018
- Core inflation falls 0.8% m-o-m to 8.1% in April
- Unemployment drops 0.8 ppt q-o-q to 8.1% in 1Q19 vs. 8.9% in 4Q18
- Egypt, IMF reach staff level agreement to disburse final USD2bn tranche of USD12bn 3-year loan programme
- Government hikes electricity prices up by 14.25%, on average, vs. 26.75% in 2018

- Banking Act amendments reportedly stipulate EGP5bn capital floor, 1% bottom line transfer to development fund
- Government mulls Blackstone unit's offer to take over Siemens' 14.4 GW power plants
- EGX mulls merging stamp duty tax, capital gains tax into one taxation mechanism
- World Trade Organization meets with Egyptian officials to discuss recently imposed duties on finished, semi-finished steel imports in Egypt

Listed Corporate News

- Ezz Steel raises ex-mill long steel price by EGP180/t (1.6%) to EGP11,780/t
- Ezz Steel's 4Q18 results reveal waning steel volume; Deteriorating balance sheet poses question mark on ability to survive without raising equity capital
- VEON CFO: High probability company's MTO for GTHE will be approved
- Commercial Int'l Bank (CIB) 1Q19 Results: Profitability weighed down by CoR, asset yield drop; Loan growth positively surprises
- Emaar Misr 1Q19: Deliveries slow down, as tax break comes to end (AMOC) rising HFO sales to government in 3Q18/19 fail to support margins, as higher-than-expected feedstock costs weigh down on profitability
- Raya Contact Center 1Q19: NI falls 23.9% yoy on lower USD:EGP, net foreign exchange loss, higher rent from new Smart Village facility
- Eastern Tobacco to launch new molasses product, increasing category's sales by 50%
- Ibsina Pharma1Q19: Healthy market growth drives earnings up 47% y-o-y, slightly below estimate
- Telecom Egypt1Q19 Results: Normalised earnings in line with expectations, up 42% y-o-y to EGP1.62bn; Reported figures beat estimate mainly on FX gain
- MOPCO 1Q19 Standalone KPIs: Bottom line dragged by FX adjustments
- Oriental Weavers 1Q19 Results: Resilient US, local sales offset lagging Europe; lower PP gains wiped on competition
- TMG 1Q19 Headline Figures: Strong presales main highlight in solid quarter
- Crédit Agricole – Egypt (CAE) 1Q19 Headline Figures: Record quarter in terms of profitability, loan growth, amid higher utilisation
- EFG Hermes 1Q19 Results: Earnings beat, on capped expenses; PE gains offset by lower holding, treasury revenues
- HELI 1Q19: Net loss of EGP9.03mn vs. net profit of EGP61.3mn in 1Q18

- ARCC reports 1Q19 recurring net loss of EGP18.3mn - In line
- SODIC 1Q19 Results: Presales driven by Allegria Residence, EDNC; Cancellation rates exceptionally high
- Suez Cement's subsidiary, Torah Cement, invites shareholders to vote on liquidation amid continued losses, distressed balance sheet
- EFG Hermes signs strategic partnership with brokerage arm of Vietnam's Asia Commercial Bank
- Raya Holding awaits FRA approval to securitise EGP300mn of financial subsidiaries' loan receivables
- Pachin obtains government approval to migrate 23k sqm of vacant land to residential
- Qalaa Holdings (QH) completes final USD120mn funding round for Egyptian Refining Company (ERC)

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