

Fund Type	Capital Protection
Fund Manager	AAIM
Launch Date	December 2016
Domicile	Arab Republic of Egypt
Fund Currency	EGP
Administrator	Catalyst
Custodian	Banque Misr
Certificate Price*	EGP 27.34567
Subscription**	Weekly
Redemption**	Weekly
Management Fee	0.50%
Administration Fee	0.50%
Subscription Fee	None
Redemption Fee	None
Min. Investment	100 Certificates

* Date as of 31/12/2024

**Weekly subscription and redemption until 12:00pm, throughout AAIB branches. NAV is published weekly in Al Borsa Newspaper.

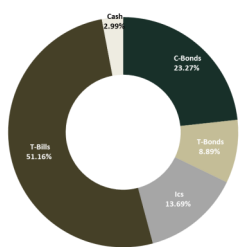
Fund's Performance- Net of Fees

	Dec-24	YTD-24	Since Inception
Actual Return	3.55%	17.65%	173.46%
Annualized Return	41.89%	17.65%	13.25%

Historical Performance- Net of Fees

	2024	2023
Actual Return	17.65%	21.23%

Asset Distribution



Economic Indicators

CBE Policy Rates	Latest	Previous	Change
CBE o/n Deposit	27.25%	21.25%	06/03/24
CBE o/n Lending	28.25%	22.25%	06/03/24

Monthly Data	Period	Latest	Previous
Urban CPI (y/y)	December	25.54%	26.53%
Core CPI (y/y)	December	23.71%	24.40%
CPI (m/m)	December	0.42%	1.30%
N.I. Reserves (\$bn)	December	46.952	46.941

Monthly Highlights

Annual urban headline inflation declined to 25.5 percent in November 2024 from 26.5 in October 2024. This decrease is primarily attributed to falling prices of core food as well as fresh vegetables that saw their largest price decline since July 2022. Meanwhile, non-food prices ticked up, driven mainly by regulated items and services (such as fuel products, inland transportation, and tobacco), although this increase was partially counteracted by the declining food inflation.

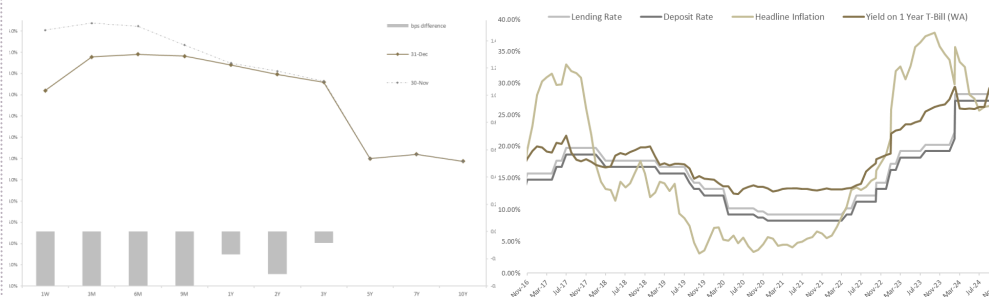
Annual core inflation inched down to 23.7 percent in November 2024 from 24.4 percent in October 2024, while monthly core inflation registered 0.4 percent in November 2024 compared with 1.0 percent in November 2023, and 1.3 percent in October 2024. Monthly core developments reflect the decline in core food prices (mainly poultry and eggs), albeit this decline was offset by the uptick in service prices, such as rents.

Monthly urban headline inflation for November 2024 recorded 0.5 percent, down from 1.3 percent in November 2023, and 1.1 percent in October 2024. The monthly headline developments also mirror the lower prices of food items, linked to the seasonal decline in fresh vegetable prices and a decline in selected core food items.

The Central Bank of Egypt's Monetary Policy Committee (MPC) decided to keep the CBE's overnight deposit rate, overnight lending rate, and the rate of the main operation unchanged at 27.25 percent, 28.25 percent, and 27.75 percent, respectively. The Committee also kept the discount rate unchanged at 27.75 percent. The meeting also decided to extend the inflation target horizons to Q4 2026 and Q4 2028 at 7 percent (± 2 p.p.) and 5 percent (± 2 p.p.) on average.

Starting March 2024, the CBE implemented several corrective measures aimed at restoring macroeconomic stability, which succeeded in containing inflationary pressures and bringing down overall inflation. These measures include the CBE's significant tightening of monetary policy as well as the unification of the foreign exchange market that helped anchor inflation expectations and attract sizable foreign exchange inflows. Nevertheless, risks to the outlook include possible escalation of geopolitical tensions, resurgence of protectionism, and higher-than-anticipated passthrough of fiscal measures. Looking ahead, inflation is projected to ease substantially in 2025, as the cumulative impact of monetary policy tightening and favorable base effect materializes, with a notable decline in Q1 2025 and convergence to single digits by H2 2026.

In view of the above, the Committee judges that the current policy rates remain appropriate to maintain a tight monetary stance until a significant and sustained decline in inflation is achieved, and expectations are firmly anchored.



Globally, The US Federal Reserve cut interest rates for the third time in 2024 by 25 bps, bringing its overnight rates to 4.25%-4.5. This brings interest rates down a full percentage point this year, after it cut rates by 50 bps in September, and by 25 bps in November.

Net International Reserves reached US\$ 46.952 bn at the end of November 2024 up from US\$ 46.941 bn the previous month, inching up by US\$ 11 mn.

The International Monetary Fund (IMF) has reached a staff level agreement with the Egyptian authorities on the fourth review of its USD 8 bn loan program. The agreement grants Egypt access to USD 1.2 bn — the biggest tranche of the program so far — after the Fund's executive board gives its stamp of approval.

According to S&P Global's latest Purchasing Managers' Index (PMI) Egypt's non-oil private sector activity continued to contract in November where it edged up to 49.2 from 49.0 last month, marking sector activity's third consecutive month of contraction. The decline came as subdued customer demand and weaker new order inflows continued to weigh on business activity, though the contraction eased to its mildest pace in three months.

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