SAIB's Third Investment Fund (El Rabeh)

Quarterly report
Q3-2026

Investment Objective

The principal investment objective of the fund is to achieve the highest possible return through investing in meduim to long term fixed income instruments

Investment Universe

The fund invests mainly in treasury bills, treasury bonds, corporate bonds, securitized bonds and time deposits.

Subscription/Redemption

The fund offers daily subscriptions and weekly redemptions.
The valuation day for the fund is weekly.

Fund Details

Type of Scheme	Open Ended
Inception date	February-1999
IC price	EGP 461.70982
Dividends Since Managed	EGP 8.20
Duration Days	1.07 days
Fund Size	EGP 91.94 million
Bloomberg Ticker	SAIBTHI EY
Reuters Lipper Code	65077574

Fund Manager

Management Company	Hermes Fund Management
Fund Manager	Karim Zaafan
Managing Since	November-2013

Contact Details

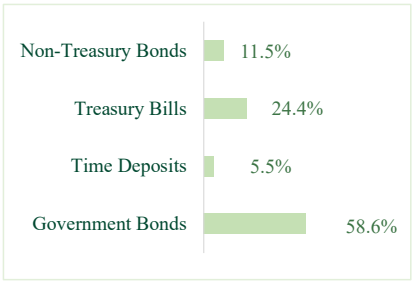
SAIB Bank
Telephone 16668
Website http://www.saib.com.eg/

Portfolio

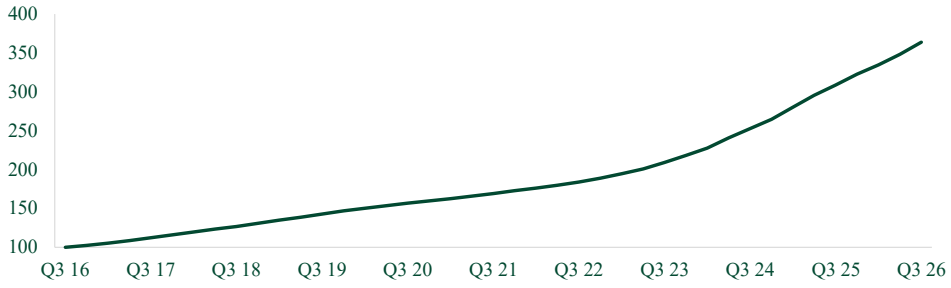
Performance Figures

Date	Return
YTD	17.1%
2025	21.9%
2024	21.2%
2023	15.5%
5 YTD	16.5%
Since Managed	12.2%

Asset Allocation



Performance



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Market Outlook

Market Commentary

- The US/Israel war on Iran re-escalated in Q3-2026, with renewed strikes around the Strait of Hormuz in early September. Brent rose from the low-to-mid USD 80s/bbl in July to a peak of around USD 109/bbl, ending the quarter near USD 102/bbl. Late-September diplomacy and a recovery in crude export flows eased prices from the highs, but geopolitical risks remain highly uncertain.
- EGP gave back part of its Q2-2026 gains, moving from a low of EGP 48.81/USD in early July to around EGP 52.3/USD by quarter-end, as foreign investors turned net sellers of T-bills in September.
- Although the CBE had resumed its easing cycle by cutting rates by 100 bps in February 2026 bringing cumulative cuts to 825 bps since the start of the 2025 easing phase, it is now reassessing its policy outlook due to the war on Iran. The CBE has held its rates unchanged for the fifth consecutive meeting in September and is expected to hold rates steady going forward until the conflict is resolved, given rising inflationary pressures. Policy rates currently stand at 19.00% for deposits, 20.00% for lending, and 19.50% for the main operation.
- Egypt's annual headline inflation stood at 14.50% in August 2026, down from 14.90% in July 2026, leaving real interest rates around 5.00%. Core inflation remained slightly increased to 14.90% in August from 14.70% in July.
- Remittances from Egyptians working abroad climbed 28% Y-o-Y to USD 29.7bn in 7M2026, according to the Central Bank of Egypt (CBE). In July, flows jumped 20% Y-o-Y to USD4.5bn.
- GDP grew by 4.95% in 1Q26 vs 4.75% a year earlier, driven by manufacturing, tourism, telecoms, and Suez Canal recovery. The government targets c5% growth in FY25/26, up from a previous target of 4.5%.
- Egypt's Net foreign reserves continued its upward trend to reach USD 57.215bn in August, up from USD 56.294bn in July.
- Average T-Bonds Net rate Q3 2026:
  - 2YR 18.153%
  - 3YR 18.745%
  - 5YR 15.760%

Strategy

- The fund manager's strategy is to maintain the current duration and preset weights to capitalize on high returns emanating from current market volatility, while adding to the non-treasury exposure to capture the yield enhancement effects. The manager will keep an eye on other opportunities that present itself.