

Andalucia

Cairo 1/7/2013,

Dear Valued Investor,

We continue to play the waiting game with the Egyptian stock market. What allows us to play the waiting game is that we are at a clear advantage as we have bought at very distressed valuations. We are confident that, short of a very unlikely civil war scenario, there's no way for our portfolios to go but up.

As usual, when the political scene climaxes anticipating a showdown, the stock market reacts negatively and goes extremely oversold. After the showdown date passes, the market realizes that it overreacted and goes into a strong rally that takes us to new highs.

With all the effects of the much anticipated June 30th demonstrations built into our latest statements, we notice that the effects on our portfolios this time are less than in the previous times (such as the presidential elections). This is a clear show of resilience from our stock picks to political turmoil and reflects the quality of our portfolio choices.

Finally, as usual, I will be personally available to answer any questions/comments. Your questions are more than welcomed.

Thank you and best regards,

Mohamed Hawary



**Managing Director
Andalucia Financial Consultancy and Investment**