

Cairo, March 28<sup>th</sup> 2010,

Dear Valued Investor,

As we see the market finally seeming to shake off the effect of recent sovereign hardships namely in Dubai and Greece. We believe the market is up for another rally that should last a minimum of 5 months.

Market Forecasting is by far not an exact science and, as any good investment manager, we recognize that we are fallible. To overcome that, we, as always, follow our money management rules which have made us one of the top performers in the local market thus far:

- 1- We abide religiously to our exit points whether it is on the winning or the losing side (stop loss).
- 2- We buy stocks only if we see they are at a good value for money. This way, we know that even if our market trend forecast is faulty, the market will eventually recognize the value inherent in the stock.
- 3- We optimize the portfolio distribution for you. Whereas too little diversification would mean overexposure for your portfolio, too much distribution would also mean reducing the chance of benefiting from good stock picks. Our aim is to optimize your portfolio distribution to a perfect balance of risk/reward.
- 4- We phase in and out of the market and we don't try to catch bottoms or peaks.

We believe that if our analysis is faulty and the market does slump temporarily, it should be back on track in no more than 8 to 9 months; but again; market forecasting is not an exact science and we do the best job we can forecasting market trends but our money

management rules and value investing doctrine remains our cornerstone.

We wish you a great trading year and please look forward to our next “investor only” newsletter.

**Thank you and best regards,  
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