

# Andalucia

Cairo 27/12/2012,

Dear Valued Investor,

Due to a fast tracking of the transition process in Egypt, embodied by the passing of a constitution that lacks wide public consensus, our sought after 6 months of “perceived stability” have been interrupted.

Nevertheless, the Egyptian market still closed the year in the top 3 list of the best performing stock markets in the world. If anything, this shows that the upside potential of this market has not been exhausted yet. We still remain cautiously positive on the market.

We now believe, we only need 2 to 4 months of “perceived stability” to reach our upside target and exit the market completely for a few months.

Looking at the downside risk of our investments as we usually do, we are still holding some of the best valued stocks in the world as we believe these are still the best vehicles to save your money while hedging against inflation and currency devaluation.

As most independent analysts have said, the circumstances of passing this constitution have “institutionalized instability”, for us, the first sign of which has been devaluing the selling price of NSGB more than 20% below its lowest fair value estimation by an independent entity.

On the long term, we believe instability will be the common theme for the next 2 – 4 years and as cumbersome as this will be, it also means that opportunities will be abundant for the alert investor. Again, this will be the subject of our one-on-one meetings with investors to plan the next phase of our long term investment plan after we exit the market, hopefully in the next few months.

Finally, as usual, I will be personally available to answer any questions/comments either by email or phone. Your contributions are more than welcomed.

Thank you and best regards,  
**Mohamed Hawary**



**Managing Director**  
**Andalucia Financial Consultancy and Investment**