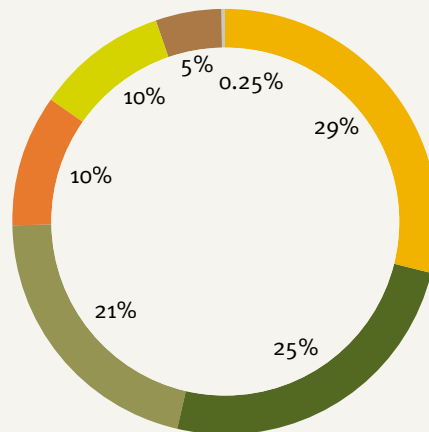


Quarterly Reporting Q2 2014



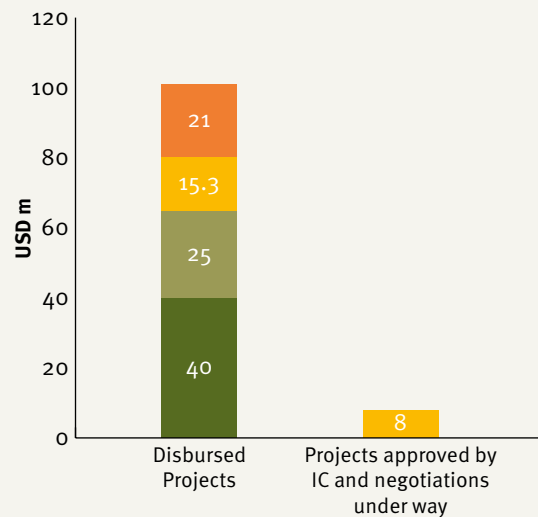
Portfolio Composition by Partner Institution

- PTA (Supranational) (30 m USD)
- BancABC (25 m USD)
- Wienco (21 m USD)
- Chase Bank Kenya (10 m USD)
- Chobe Agrivision Zambia (10 m USD)
- GADCO Ghana (5 m USD)
- Balmed (0.25 m USD)



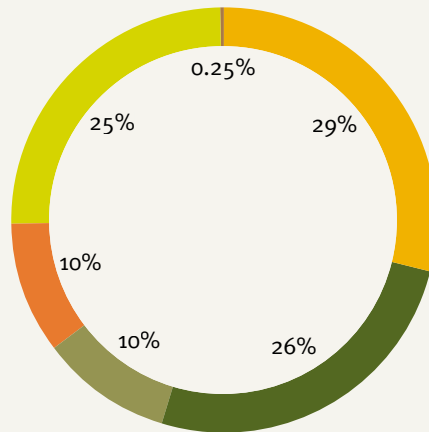
Portfolio Composition by type of Partner Institution

- Intermediary Investee Company
- Direct Investee Company
- Financial Institution – Risk Sharing
- Financial Institution – Senior Debt



Portfolio Composition by Country Groups

- Ghana: Group 1
 - Zambia: Group 1
 - Kenya: Group 1
 - Botswana: Group 1
 - Sierra Leone: Group 2*
 - COMESA/PTA: Group 3
- * not rated



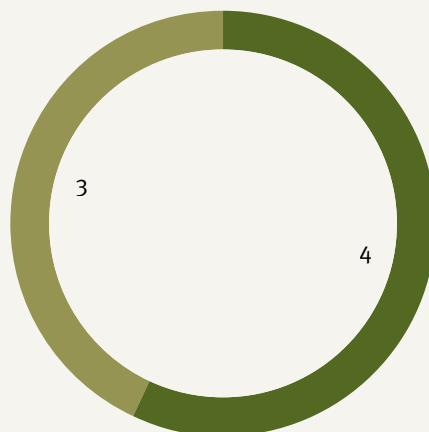
Group 1 (20% Limit):
Target Countries that have an external rating of “B” or better

Group 2 (10% Limit):
Target Countries that have an external rating of “B-” or worse

Group 3: Supranationals

Portfolio Composition by LDC and Sub-Saharan Countries

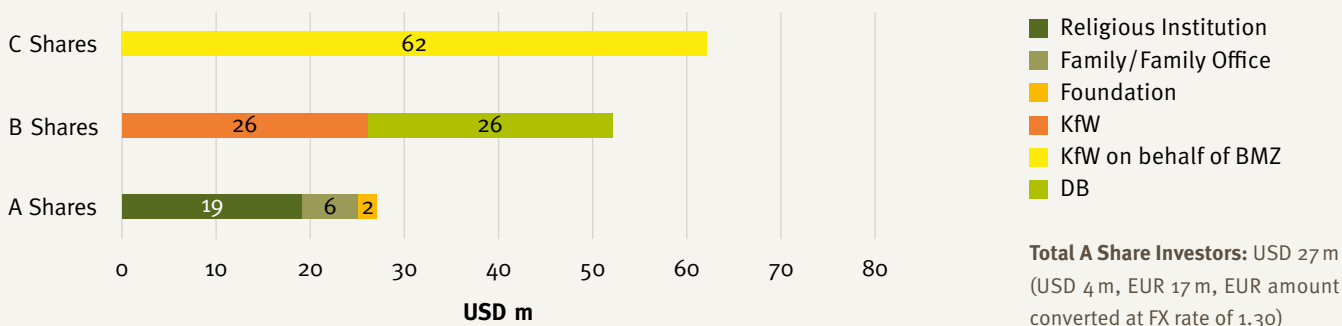
- Sub-Saharan
- Sub-Saharan /LDC



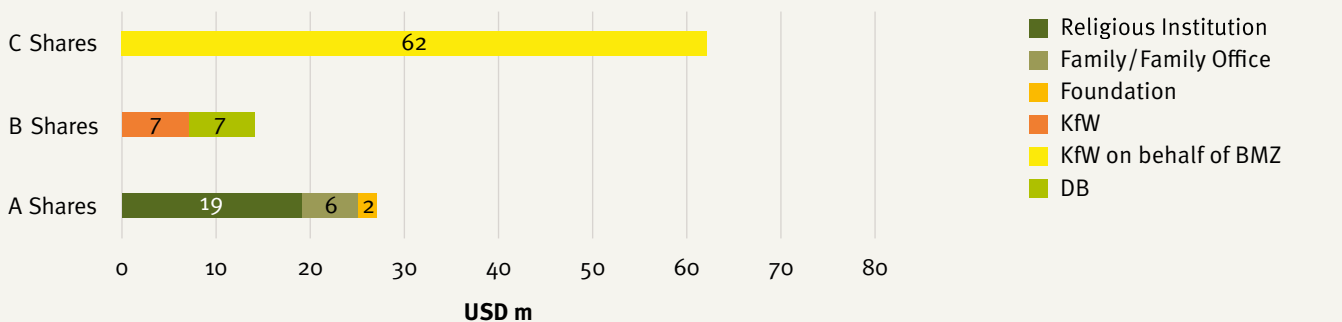
LDC: Least Developed Country as defined by the United Nations



Commitments



Subscriptions



Activities of Partner Institutions – Country Outlook*

Botswana

Botswana's small economy (USD 15 bn GDP, 2 m population) is heavily dependent on the diamond industry. The world's largest producer of diamonds, Botswana hopes to become a global diamond trading hub and diversify its economy by developing the services sector. Growth is forecast at around 4% in the next years. The country has returned to a small fiscal surplus (2% of GDP), has a low debt burden and is a net external creditor.

Ghana

With a GDP of close to USD 40 billion and around 25 million people, Ghana is one of Africa's most established democracies. Twin deficits are high: current account deficit was 12% in 2013 and fiscal deficit 7% – largely due to high wage bill, so hard to contain. With high inflation and Cedi depreciation, the country faces tough challenges in the short-term. On the positive side, growth is expected to remain robust (around 5% in 2014) and pick up afterwards due to favourable prospects for oil and gas. The latter, combined with strong governance, are driving high FDI inflows (USD 3.3 bn in 2013, 7.2% of GDP).



Kenya

With a GDP of USD 52 billion (population 45 million), Kenya's diversified economy is expected to grow at above 6% in the next five years. Fiscal deficit (5.8% of GDP in 2013) and current account deficit (8% in 2013) are high but expected to decrease, due to increasing revenues (tax reforms) for the former, growing export volumes and remittances for the latter. Driven by oil and gas finds, FDI inflows are increasing. Foreign investment in Kenyan stocks and bonds has been resilient, contributing to a fairly stable currency. Political stability has improved and Kenya's transition to a full democracy continues.



Sierra Leone

One of the fastest-growing and poorest countries in the world, Sierra Leone's economy is benefitting from a surge in iron ore production, GDP growth is forecasted at 14% in 2014 and 8% on average over the next 5 years. The small country (USD 5 bn GDP, 6 m population) is continuing to make remarkable progress after the brutal civil war (1991–2002), with the peaceful election of 2012 cementing a big reduction in political risk.

Zambia

Zambia (USD 25 bn GDP, 15 m population) is on a robust growth path (around 7% in the next years), with copper production expected to double by 2020. Largely dependent on copper (30% of GDP, 70% of exports), the country is vulnerable to shocks and maintaining investors' confidence will be crucial. With a fiscal deficit overrun (8.5% of GDP in 2013 vs a planned 4.5%), the government still has ambitious infrastructure plans to support growth. The Kwacha has deteriorated 13% against the dollar in the first quarter of 2014. The current account remains in surplus.

COMESA

The Common Market for Eastern and Southern Africa (COMESA), one of the largest regional economic groupings in Africa, currently includes 19 countries, which are extremely diverse in socioeconomic development, ranging from Ethiopia to the Seychelles. The combined population is over 400 million people and the GDP over USD 400 billion. The market integration is driving sub-regional cooperation and setting the stage for economic, social and political cohesion in Africa.

*Dr. Claire Schaffnit-Chatterjee, Senior Analyst, DB Research

Partners and Investors



Implemented by:

KFW



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All statistics presented in this report, unless otherwise specified, are based on non-audited figures of the financial model and reporting tool of the Africa Agriculture and Trade Investment Fund. Care has been taken in preparing the financial model and the statistics presented in this report but no representation, warranty or undertaking (express or implied) is given or will be made and no responsibility or liability is or will be accepted by the Africa Agriculture and Trade Investment Fund or any of their respective officers, directors, employees, servants or agents in relation to or concerning the content, completeness or accuracy of any information, opinion or other matter contained in this report.

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