

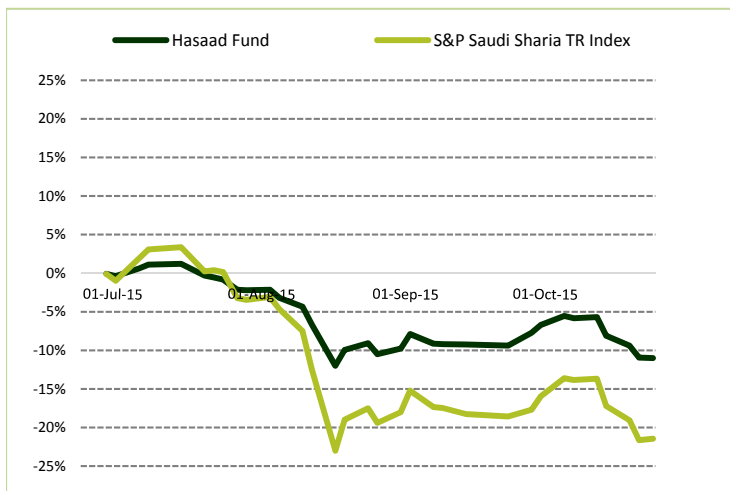
Fund Manager's Strategy & Outlook

The Saudi market continued its negative performance for the third month in a row with the S&P Saudi Sharia TR Index losing 3.5% in October and 21.4% since the fund's inception. The Fund lost 1.8% during the month and is now down 11.0% since inception. Turnover increased slightly with daily traded value averaging SAR 4.9 billion in October.

The Saudi market's aggregate earnings dropped 13.7% YoY in 3Q2015. However, excluding petrochemicals and telecoms – which had a 29.7% and a 38.3% drop in earnings respectively on the back of lower oil prices, and Mobily's continued woes – aggregate earnings were only 2.2% lower YoY. Insurance earnings grew 19.1% and banks earnings grew 4.3% while retail earnings dropped 1.9% YoY.

TASI sectors performance was mixed in October. Transportation, telecoms, and petrochemicals were among the best performing sectors gaining 6.7%, 2.4%, and 0.2% respectively. On the other hand, hotels, cements, and real estate were the worst performing sectors losing 10.1%, 7.9%, and 7.3% respectively. Banks and retail companies underperformed losing 5.1% and 4.8% respectively. The Investment Manager reduced exposure to cement companies and increased exposure to real estate, banks, petrochemicals, insurance, retail and multi-investment companies. Cash was reduced from 38.0% to 18.7% as of end of October.

The S&P Saudi Sharia TR Index has now dropped 21.5% over the past 3 months. And while the level of uncertainty remains elevated, the Investment Manager believes that the market should consolidate around current levels during the period leading to the 2016 budget announcement, which can potentially serve as a catalyst for a market recovery.



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Objective

The principal objective of the Fund is medium to long term capital appreciation by investing in Sharia compliant equities listed on the Tadawul exchange.

Fund Performance

	Hasaad	S&P TR ¹	Difference ²
Month to Date*	-1.8%	-3.5%	1.7%
Inception to Date**	-11.0%	-21.4%	10.4%

* MTD figures reflect performance between September 30, 2015 and October 31 2015

** Fund's inception date was July 1, 2015

¹ S&P Saudi Sharia TR Index

² For comparative purposes only; the fund is managed on an absolute return basis

Fund Characteristics

No. of Holdings	28
Weighted Market Cap	SAR 39.1 billion
Dividend Yield*	4.0%
P/E Ratio 16	15.1

* Figure reflects the weighted average yield of a dividend-bearing security in the fund

Fund Metrics

	Hasaad	S&P TR
Volatility	14.8%	28.4%
Beta *	0.5	-

** Calculated vs. the S&P Saudi Sharia TR Index since the Fund's inception

Top Three Equity Holdings

Holding	Sector	% of NAV
Al Rajhi bank	Banks & Financial Services	7.0%
Saudi Basic Industries	Petrochemical Industries	5.5%
Saudi Telecom Co	Telecom & IT	4.5%

Fund Data

NAV per Share	8.8991
Management Fee	1.25%
Minimum Subscription	SAR 10,000
Subscription / Redemption	Twice Weekly
Inception Date	July 1 st , 2015

Fund Identifiers

ISIN Code	XC000A14XYV2
Bloomberg Ticker	EFGHFSE AB Equity
Reuters Code	LP 68330160

Allocation by Economic Sector

