

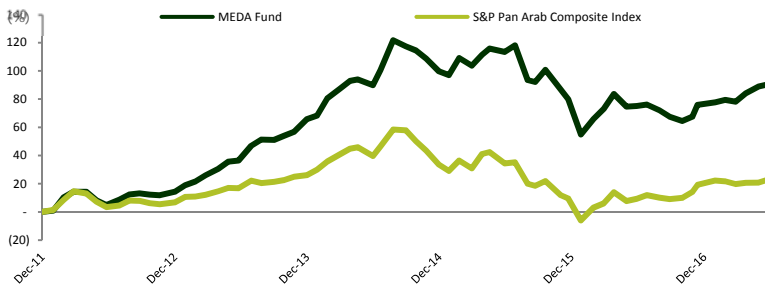
Fund Manager's Strategy & Outlook

Markets witnessed significant volatility over the course of the previous month on the back of increased political tensions amongst the GCC states, positive news on Saudi emerging market watch list inclusion and a 13.0% drop in Brent crude oil prices to the mid USD 40 level. The Saudi market shrugged off the decline in crude prices and rallied 8.9% for the month making it the best performer by far followed by the Turkish index which gained 4.0% in USD terms. The Dubai, Kuwaiti and Egyptian markets followed with gains of 2.5%, 1.6% and 1.5% in USD terms, respectively. The Abu Dhabi market lost 1.4% while the Omani bourse saw a decline of 5.0%. The Qatari market was the worst performing as the index fell by 10.7%. These performance numbers are reflective as of the end of June 26th.

Saudi Arabia was placed on the MSCI watch list for emerging market status and this commences a two-year cycle of upgrade decisions that should eventually lead up to the listing of Saudi Aramco. A potential upgrade could occur in June 2018 making the move effective mid-2019. In September 2017, FTSE could add Saudi to its EM index effective March or September 2018. These upgrades in status have the potential to attract over USD 10bn in passive flows from index tracking funds over the course of 2018 and 2019. An eventual inclusion into MSCI EM would make Saudi the ninth largest country in the index and over USD 1.5 trillion in assets are benchmarked to the MSCI Emerging Index family by money managers. The anticipated news pushed the Saudi market up 5.5% the day after it was announced, and further positive news flow from MSCI and FTSE should also prove a catalyst for the market. According to the Vice Chairman of the Saudi Capital Markets Authority, there should not be delays in index inclusion for Saudi as opposed to markets spending several years on the watch list.

The MSCI news was soon followed by news that the King Salman of Saudi Arabia had appointed his son Mohammad Bin Salman as Crown Prince, relieving Mohammad Bin Nayef from the same position. The new Crown Prince had been leading fiscal reforms as part of his Vision 2030 program to diversify the economy, leading the war on Yemen and overseeing the kingdom's energy policy. This move has removed uncertainty over the line of succession, avoided a potential power struggle between the new and former Crown Prince and eventually leadership is to be shifted the next generation. The new Crown Prince is in his early thirties and could rule for decades. The news was also taken positively along with the announcement that the reinstated financial allowances would be applied retro actively to public sector workers and military personnel.

The Saudi led Bloc released a set of demands to end the Qatar boycott situation during the previous month as well. The list of thirteen points included demands that Qatar curb all diplomatic ties with Iran and it shut down Al Jazeera, the government funded news network. This list was presented to Qatar by Kuwait, an intermediary in the political standoff and it marked a major escalation of the diplomatic row which has already seen blockades of borders and airspace. After a deadline extension Qatar announced it would not be accepting the stiff demands that look as if they were made to be rejected. The market was hit negatively although several names stand to either benefit or not be negatively impacted by the current situation. The crisis remains however as an overhang and may require the US intervention in order to achieve a resolution, but may drag on for the coming months. Short term market direction will be determined by Q2 results as they are released across the markets.



As of June 19, 2017

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Objective

Long-term capital appreciation through investing in Middle East and North African equities and equity related securities.

Fund Performance

	MEDA Fund Class A	S&P Pan Arab*	Difference
MTD**	0.7%	1.4%	-0.7%
YTD***	8.1%	2.7%	5.4%
2016	-2.2%	8.8%	-11.0%
2015	-10.0%	-18.0%	8.0%
2014	20.4%	6.0%	14.4%
2013	45.1%	26.3%	18.8%
2012	14.3%	6.8%	7.5%

*Figures reflect performance since inception of S&P Pan Arab Composite Large/Mid Cap Net TR Index in Dec 2004 as of the relevant Valuation Days of the MEDA Fund

**MTD figures reflect performance between May 29, 2017 and June 19, 2017

***YTD figures reflect performance between December 12, 2016 and June 19, 2017

Fund Characteristics

No. of Holdings	23
Weighted Market Cap	USD 7.8 billion
Average Dividend Yield*	3.12%
P/E Ratio 2017	15.4x

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

Fund Metrics*

Alpha	7.6%
Beta	0.90
Volatility	14.8%
Information Ratio	1.25

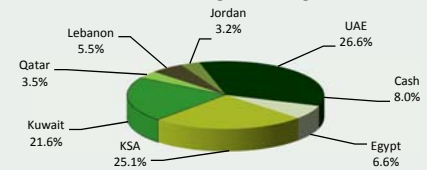
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

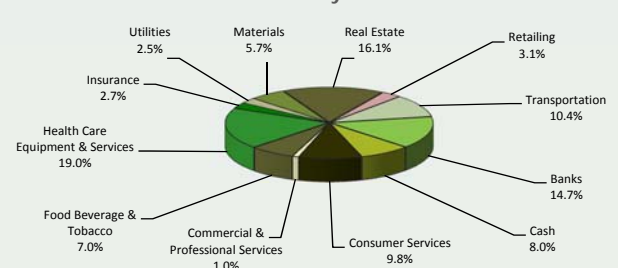
Holding	Country	% of NAV*
NMC Health	UAE	10.2%
Human Soft Holding Co	Kuwait	9.3%
Aramex	UAE	8.8%
Mabane Co	Kuwait	6.2%
Al Rajhi Bank	KSA	5.8%

*Figures as of June 19, 2017

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 33.17
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	1.5%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

Fund Identifiers

ISIN (Class A shares)	BMG294041030
Bloomberg Ticker	EFGMEAF BH
Merrill Lynch Code	EFGAT