

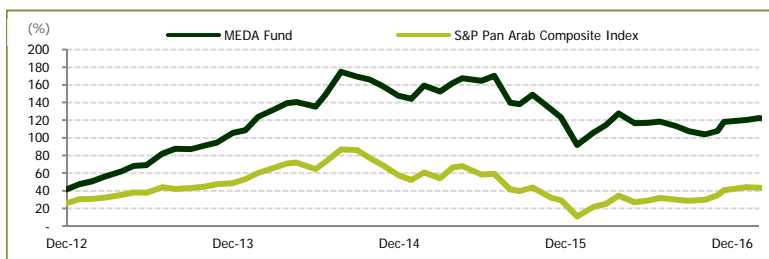
Fund Manager's Strategy & Outlook

Regional markets were hit in the month of March as oil prices fell a sharp 10.3%. The continuous rise in U.S. oil inventories is what is posing a key risk for OPEC nations. The sell-off in crude prices was sparked when the EIA reported US inventories had risen for the 9th week in a row to an all-time high. Inventories are tightening in other countries but the U.S. has the biggest influence over the market due to the quality and timeliness of data released. However, U.S. stockpiles dropped 1.3mn barrels in the first week of April and oil has rebounded also on confidence that Saudi Arabia will support an extension to the OPEC output cuts. Brent crude prices rallied back to over USD 56 / bbl and regional markets have responded strongly with a rally of their own, especially Saudi. The country is also set to raise about USD 8bn in its first USD denominated Islamic bond sale, six months after the sale of USD 17.5bn in conventional bonds.

During the previous month Kuwait was the top performer with a gain of 3.7%. Total value traded in Kuwait stands at USD 9.6bn which has surpassed the USD 9.5bn recorded in all of 2016. The average daily value traded has surged 3.5x in 2017 vs. 2016 and the index has gained over 22.0% in Q1 2017 alone. The Turkish market was the next best performer with a gain of 1.7% in USD terms. The Saudi, Abu Dhabi and Omani markets lost 1.7%, 3.5% and 3.7%, respectively. The Qatari index was down 4.7% along with the Egyptian market in USD terms. The worst performer over the month was the Dubai market with a loss of 4.9%.

Market activity has picked up in Egypt with several IPOs being launched. These include Al Raya which is a leading provider of business process outsourcing services, primarily in Europe and the Middle East, from facilities based in Egypt, Dubai, UAE and Poland. The company delivers services in over 25 languages and is expanding its geographical presence. Another IPO to come to market is Advanced Energy Systems which is a MENA based driller with an impressive return profile on the back of a structural cost advantage that has done well across the entire cycle. The investable universe is expanding with some well managed and attractively priced companies coming to market.

Market direction is likely to be determined by Q1 2017 results as they get announced over the next several weeks. MENA banks have reported on an aggregate basis Y-o-Y declines in earnings for the past three quarters and this quarter is expected to keep the trend going. The cost of risk is expected to be generally higher for most MENA markets compared to last year and only banks in Egypt should report a strong Y-o-Y increase in bottom line as revenue growth offsets provisioning. Petrochemicals are expected to report growth in earnings as oil prices are averaging higher along with product prices compared to the same period in 2016.



As of March 27, 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%	-1.7%	1.0%
YTD	1.3%	0.4%	0.9%
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 February 27 2017 and March 27, 2017

Fund Characteristics

No. of Holdings	22
Weighted Market Cap	USD 9.5 billion
Average Dividend Yield*	3.0%
P/E Ratio 2017	12.3x

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

Fund Metrics*

Alpha	7.0%
Beta	0.90
Volatility	15.2%
Information Ratio	1.15

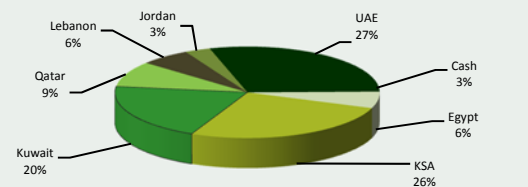
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

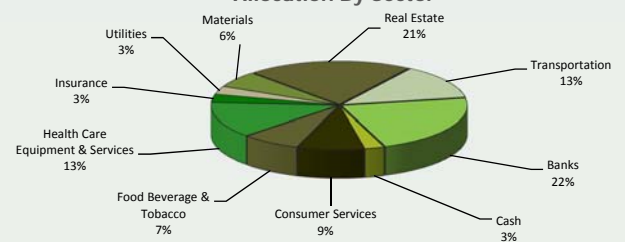
Holding	Country	% of NAV*
Aramex	UAE	10.4%
NMC Health	UAE	8.0%
Human Soft Holding Co	Kuwait	8.0%
Mabane Co	Kuwait	7.3%
BLOM Bank	Lebanon	6.2%

*Figures as of March 27, 2017

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 31.09
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	1.4%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

Fund Identifiers

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