

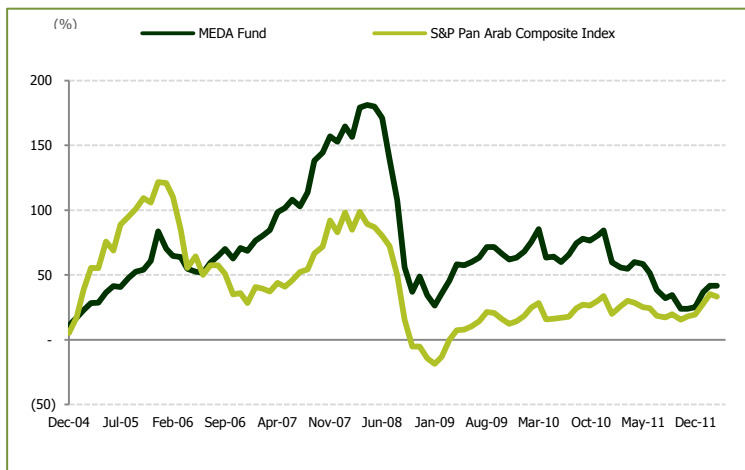
### Fund Manager's Strategy & Outlook

The majority of the MENA markets ended the month in negative territory. The Kuwaiti market was the only exception, gaining 3%, bringing its year to date gains to 10%. The Saudi market declined by 3% on profit taking following the impressive run so far this year. The Egyptian market declined by 1.5% given the political and economic challenges that remain at large. The MEDA Fund ended the month flat.

In the GCC, the majority of companies released robust Q1 results. Saudi Arabian companies have been the notable outperformers on a year over year basis - underscoring the economic strength of the country. In the UAE, significant operational improvement has been witnessed by companies over the quarter as the country continues to benefit from substantial positive externalities as a result of the unrest in the rest of the MENA region. Furthermore we maintain our positive view on the Qatari market which has lagged substantially this year. The source of future growth in Qatar will be outside of the hydrocarbon sector, as domestic demand continues to increase, and we believe that Qatar's financial system remains the most sound, with the lowest level of NPLs and one of the highest capital adequacy ratios.

The Egyptian market continues to be plagued by the uncertainties surrounding the political transition in addition to the existing economic challenges. Presidential elections are due to start on May 23, which will be a milestone for Egypt. We remain cautious on that market in the near term.

Going into the summer months, the Investment Manager is cautiously optimistic. Although the summer period has historically been a challenging period for the MENA region as volumes typically decline and risk aversion increases, we believe that markets are likely to be volatile; however attractive opportunities are likely to surface. We will continue to monitor the European markets closely as they could potentially become a catalyst for downside risk should there be any additional negative developments over the coming period.



EFG-Hermes Asset Management

### 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**	0.0%	-1.4%	1.4%
YTD	14.3%	13.0%	1.3%
2011	-31.4%	-9.4%	-22.0%
2010	11.7%	16.1%	-4.4%
2009	8.7%	18.4%	-9.7%
2008	-42.1%	-50.6%	8.5%
2007	50.5%	41.1%	9.4%

\*Figures reflect performance since inception of S&P Pan Arab Composite Large/Mid Cap Net TR Index in Dec 2004  
 \*\*MTD figures reflect performance between March 26<sup>th</sup>, 2012 and April 30<sup>th</sup>, 2012

#### Fund Characteristics

No. of Holdings	28
Weighted Market Cap	USD 13.1 billion
Average Dividend Yield*	3.2%
P/E Ratio 2012	11.8x

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

#### Fund Metrics\*

Alpha	0.6%
Beta	0.7
Standard Deviation	5.9%
Information Ratio	0.0

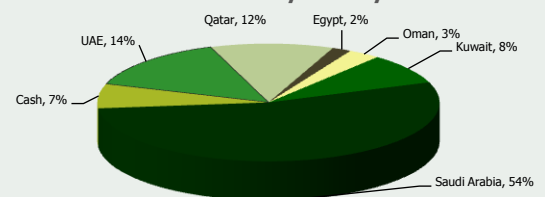
\*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since index inception in December 2004

#### Top Five Equity Holdings

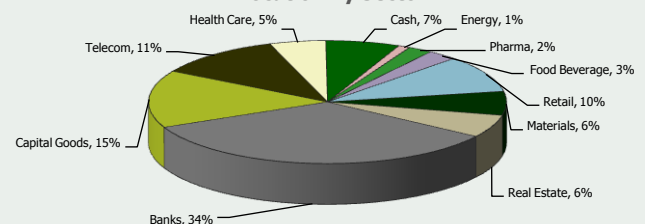
Holding	Country	% of NAV*
SABIC	Saudi Arabia	6.3%
Samba Financial Group	Saudi Arabia	5.9%
Etihad Etisalat	Saudi Arabia	5.5%
Fawaz Abdul Aziz Al Hokair	Saudi Arabia	5.4%
Bank Saudi Fransi	Saudi Arabia	5.3%

\*Figures as of April 30<sup>th</sup>, 2012

#### Allocation By Country



#### Allocation By Sector



#### Fund Data

NAV per Share (Class A)	USD 19.95
Fund Size (USD)	USD 107 million
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	2.0%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

#### Fund Identifiers

ISIN (Class A shares)	BMG294041030
Bloomberg Ticker	EFGMEAF BH