

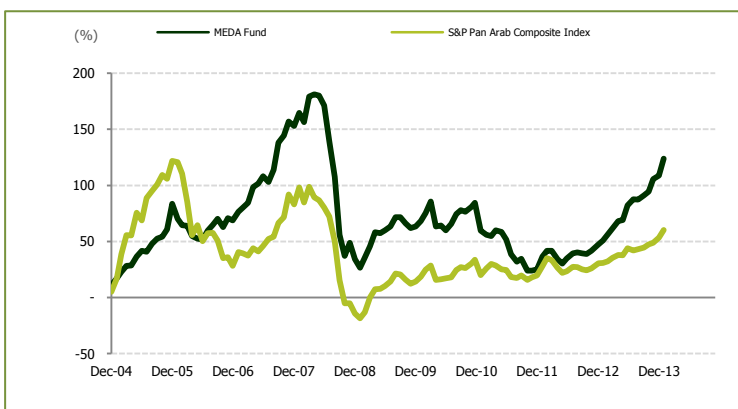
Fund Manager's Strategy & Outlook

The trend in emerging market outflows continues with withdrawals from ETFs investing in EM bonds and equities already reaching USD 11.3bn this year, compared to redemptions of USD 8.8bn in 2013. Trading volumes in MENA are on the rise with regional markets continuing to outperform global developed and emerging markets with Dubai leading the way yet again. The Dubai bourse recorded an 11.8% rise in February taking its gain for the year to 22.4%. The Egyptian market rallied 10.9%, while the Abu Dhabi and Qatari markets rose by 7.8% and 5.8% respectively during the month. The Saudi bourse climbed 4.6% as the Omani and Kuwait bourses dropped 0.7% and 1.0%.

In Egypt the military backed government of Al Beblawi has unexpectedly resigned on the back of a new wave of disorganized labor protests from workers demanding higher wages and improved living conditions. The market has shrugged off short term political uncertainty as the new interim Prime Minister Ibrahim Mehlib has formed a new government. Presidential elections are expected in April and a perceived return to stability should provide further momentum to the market recovery.

Dubai CDS has dipped below 200 basis points to levels close to those witnessed pre financial crisis which is a reflection of strong positive investor sentiment. The government has rolled over a USD 10bn debt facility with the central bank at favorable terms which puts to ease concerns about Dubai's ability to fund spending in preparation for Expo 2020. The economy, which grew approximately 4.9% in 2013, is undergoing an economic upswing underpinned by growth in the real estate, hospitality and tourism sectors with the momentum expected to be sustained going forward.

Escalating tensions in Ukraine have fueled a rise in commodity prices including oil, and a selloff in emerging markets. Russia is mobilizing troops and strengthening its presence in Crimea creating the worst standoff between the U.S. and Russia since the Cold War. Despite the threat of sanctions and rebukes by global leaders, Russia is standing firm in its decision to not pull troops out of the peninsula. However, we believe an invasion similar to that in 2008 in Georgia is not at all likely given the close ties between the populations. Geopolitical tensions outside of the Middle East pose the threat of an exogenous shock to regional markets, but with less impact. Expectations are for investor sentiment to remain generally positive as the situation comes to a resolution.



As of February 24th, 2014

EFG-Hermes Asset Management

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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**	7.3%	4.5%	2.8%
YTD	8.9%	7.7%	1.2%
2013	45.1%	26.3%	18.8%
2012	14.3%	6.8%	7.5%
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%
2006	6.2%	-33.9%	40.1%

*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 January 27th, 2014 and February 24th, 2014

Fund Characteristics

No. of Holdings	28
Weighted Market Cap	USD 13.2 billion
Average Dividend Yield*	2.7%
P/E Ratio 2014	13.7x

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

Fund Metrics*

Alpha	11.9%
Beta	1.0
Volatility	11.0%
Information Ratio	2.6

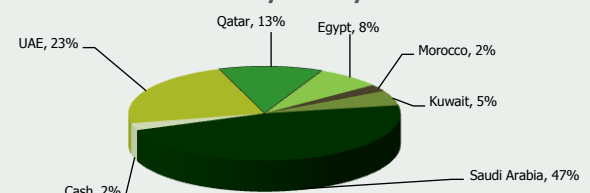
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

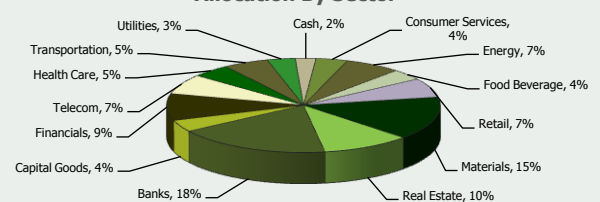
Holding	Country	% of NAV*
SABB	Saudi Arabia	7.0%
Ethiad Etisalat	Saudi Arabia	6.9%
SABIC	Saudi Arabia	6.8%
Fawaz Abdulaziz Al Hokair & Co.	Saudi Arabia	6.6%
Dubai Investments	United Arab Emirates	5.3%

*Figures as of February 24th, 2014

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 31.50
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