



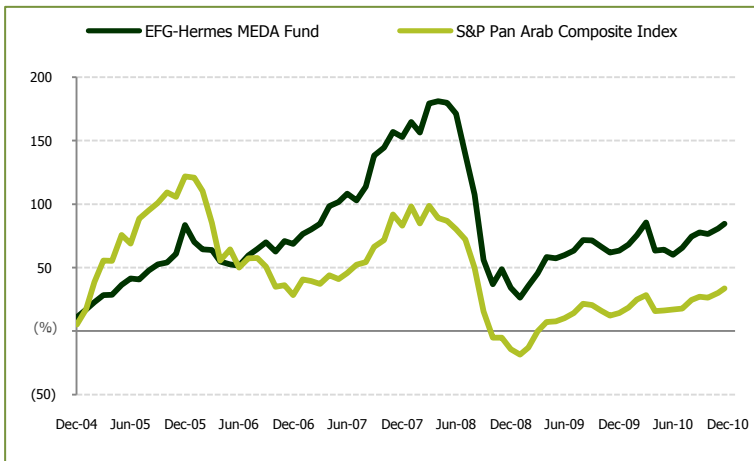
Fund Manager's Strategy & Outlook

The MENA markets started 2011 on a mixed note, while Egypt dominated news headlines around the world. The Egyptian market suffered a pronounced decline of 20% on the back of dramatic political events that began on January 25th and are yet to subside. The Qatari market bucked the negative sentiment gaining roughly 1%, while Saudi Arabia declined 4% on the back of increased risk aversion fueled by political contagion fears.

Egypt is currently going through a complex political crisis on the back of pressure on President Hosni Mubarak to resign after 30 years in power. The political deadlock led to the suspension of the country's stock exchange and indiscriminate selling of Egyptian equities, while the country's 5-year CDS doubled. The longevity of the current political crisis will determine the events' wider impact on the country's economy. We expect the markets to be volatile once trading resumes, however, we believe some attractive opportunities have surfaced and the Investment Manager has positioned the Fund in names where dislocations are most apparent.

In the GCC, Qatar maintained its positive performance. We remain constructive on the Qatari market as the infrastructure and development spending that has been earmarked over the next several years will fuel strong growth in the economy. Increased revenues from LNG capacity expansion will help fund infrastructure for the World Cup 2022 over the coming seven years with an estimated USD50-75 billion in planned development and upgrades. The Kingdom of Saudi Arabia's bourse ended the month with a 4% decline despite the country's solid economic backdrop and elevated commodity prices. The Investment Manager has increased the Fund's allocation to the Saudi market as we believe attractive opportunities have surfaced in the recent Egypt-fueled contagion.

Despite the heightened perception of contagion risk as a result of the political crisis in Egypt, we believe that weakness in other regional markets present attractive opportunities to build positions. We are confident that once headwinds from political uncertainty abate, the MENA region will continue to provide a compelling investment case in the medium-term.



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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** | 2.1% | 2.7% | -0.6% |
| YTD | 2.1% | 2.7% | -0.6% |
| 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% |

| | MEDA Fund Class A | S&P Pan Arab* | Difference |
|------------------|-------------------|---------------|------------|
| 1 year | 12.9% | 17.1% | -4.2% |
| 3 year | -27.1% | -26.9% | -0.1% |
| 5 year | 0.5% | -39.7% | 40.2% |
| Since Inception* | 84.4% | 33.7% | 50.8% |

*Figures reflect performance since inception of S&P Pan Arab Composite Large/Mid Cap Net TR Index in Dec 2004
**Performance figures are reflective of the period from December 20th, 2010 to January 24th, 2011

Fund Characteristics

| | |
|-------------------------|------------------|
| No. of Holdings | 28 |
| Weighted Market Cap | USD 10.4 billion |
| Average Dividend Yield* | 3.0% |
| P/E Ratio 2011 | 10.7x |

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

Fund Metrics*

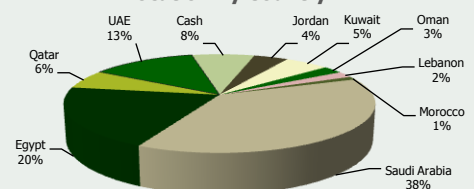
| | |
|--------------------|-------|
| Alpha | 6.4% |
| Beta | 0.6 |
| Standard Deviation | 16.0% |
| Information Ratio | 0.3 |

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

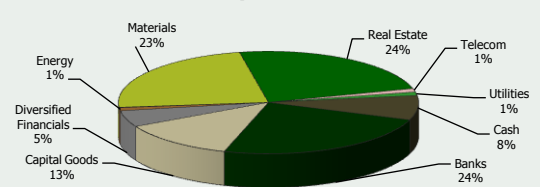
Top Five Equity Holdings

| Holding | Country | % of NAV |
|------------------------------|--------------|----------|
| Maaden | Saudi Arabia | 7.6% |
| Sahara Petrochemical Company | Saudi Arabia | 7.1% |
| Palm Hills | Egypt | 6.6% |
| Rajhi Bank | Saudi Arabia | 6.1% |
| Al Inma Bank | Saudi Arabia | 6.0% |

Allocation By Country*



Allocation By Economic Sector*



Fund Data

| | |
|---------------------------|-----------------|
| NAV per Share (Class A)* | USD 25.97 |
| Fund Size (USD) | USD 279 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 |

* NAV per share and asset allocation figures as of January 24th, 2011

Fund Identifiers

| | |
|-----------------------|--------------|
| ISIN (Class A shares) | BMG294041030 |
| Bloomberg Ticker | EFGMEAF BH |