



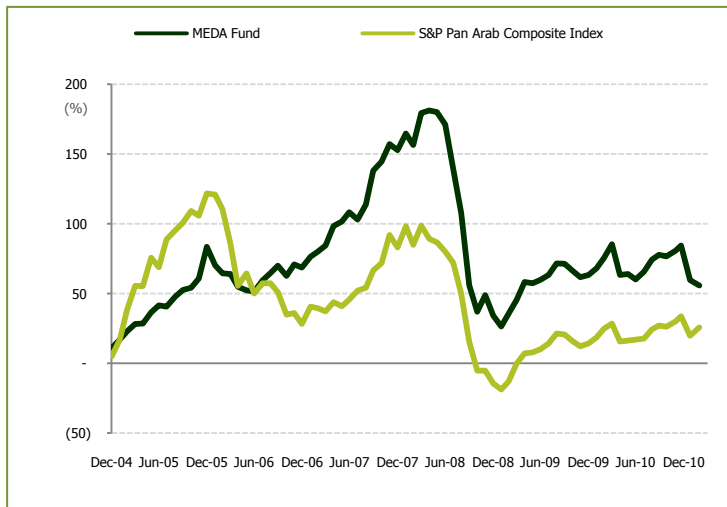
### Fund Manager's Strategy & Outlook

The majority of MENA markets rebounded from their YTD lows with the Saudi and Dubai markets leading the rally with 10% gains. Despite the recovery, Kuwait and Egypt continued to lose ground shedding around 3%. The Egyptian market reopened for trading on March 23<sup>rd</sup> after its suspension on January 27<sup>th</sup> following the country's revolution.

The resumption of trading in Egypt was erratic with most names limit down on the day the market reopened. After the first two sessions, however, the market began to stabilize as buyers emerged in names that had been indiscriminately sold. The Investment Manager used this opportunity to reshuffle the Fund's holdings. In our view, the Egyptian market will remain volatile in the coming months, and will require a differentiated assessment of stock specific risk.

In our previous report, the Investment Manager highlighted that the sell-off in the GCC presented a prime buying opportunity. The Fund has reshuffled some positions to capitalize on such dislocations in the markets where fundamentals are the strongest.

In the GCC, we remain positive on Saudi Arabia, and believe that region's largest market will continue to perform well in the medium term. In the United Arab Emirates, Dubai World has announced the signing of its final agreement with 80 creditors to restructure USD 25 billion in debt. Under the terms of the repayment plan, creditors will receive USD 4.4 billion over five years while the second tranche will include repayment of USD 10.3 billion over eight years at a fixed interest rate of 2.4%. This is an undoubtedly positive development for the UAE and particularly the emirate of Dubai, while the country's consistent stability positions it as a safe haven amid the political unrest in the region. The Investment Manager is gradually becoming more constructive on the UAE markets and will continue to position the Fund accordingly.



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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**	-2.4%	5.0%	-7.4%
YTD	-13.8%	-3.3%	-10.5%
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	-11.2%	0.8%	-12.0%
3 year	-39.2%	-31.9%	-7.3%
5 year	-5.3%	-40.2%	34.9%
Since Inception*	55.8%	25.8%	30.0%

\*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 the estimate, unaudited NAV published on February 28<sup>th</sup>, 2011 and the official, audited NAV as of March 28<sup>th</sup>, 2011

#### Fund Characteristics

No. of Holdings	22
Weighted Market Cap	USD 4.8 billion
Average Dividend Yield*	2.7%
P/E Ratio 2011	9.5x

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

#### Fund Metrics\*

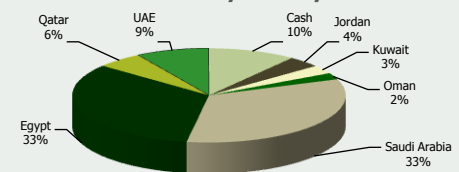
Alpha	3.9%
Beta	0.7
Standard Deviation	16.0%
Information Ratio	0.2

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

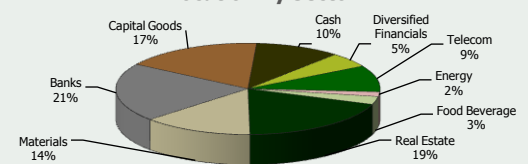
#### Top Five Equity Holdings

Holding	Country	% of NAV
Talaat Mustafa	Egypt	9.1%
Sahara Petrochemical	Saudi Arabia	6.5%
Drake & Scull	United Arab Emirates	6.1%
Al Inmaa Bank	Saudi Arabia	5.6%
Citadel	Egypt	5.2%

#### Allocation By Country



#### Allocation By Sector



#### Fund Data

NAV per Share (Class A)	USD 21.94
Fund Size (USD)	USD 236 million
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	1.9%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

#### Fund Identifiers

ISIN (Class A shares)	BMG294041030
Bloomberg Ticker	EFGMEAF BH