

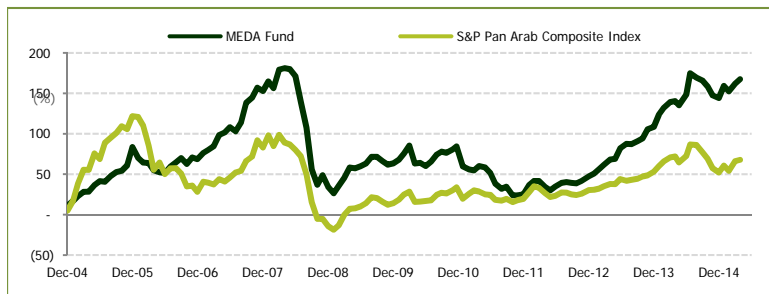
Fund Manager's Strategy & Outlook

Regional markets displayed muted performance over the last month with the largest negative moves coming in Turkey and the UAE. The Turkish, Dubai and Abu Dhabi indices lost 2.1%, 2.0% and 1.0%, respectively. The Kuwaiti bourse dropped 0.8% while the Saudi and Omani markets gained 0.2% and 0.7%. The Qatari index gained 1.7% and the Egyptian bourse reported the best performance after a 6.6% rally. Crude oil reported a modest price gain of 1.1% and is averaging just over USD 60 per barrel YTD.

A UN conference scheduled for mid-June could provide answers on the fate of Yemen, as officials representing the different rival factions will meet in Geneva. The outcome will be watched closely by Saudi Arabia which has witnessed two bombings on the East coast that targeted Shiite Muslims and claimed 25 lives. The authorities have vowed a strict clampdown and this comes as the market is set to open to foreigners on the 15th of June. The expectation is that this will be a soft launch without a sudden influx of flows, volumes are currently showing summer time weakness and since Ramadan will commence around the 18th of June, this will also have a negative impact on volumes across the MENA markets including Saudi. The momentum of new listings coming to market however remains strong in the region, with the USD 752mn IPO of Saudi Ground Services set to close in mid-June, around the same time as the Emaar Misr IPO in Egypt which will raise funds largely to fund retail as well as hospitality projects.

FIFA has been rocked with scandal claims that have the potential to impact the winning World Cup bid for Qatar. There are conflicting reports from within FIFA that suggest Russia and Qatar may be stripped of the rights to host the event but other news from within FIFA state that there is no legal grounds for such action. Direct World Cup spending in Qatar is estimated at USD 15bn – USD 20bn which includes the stadiums and hospitality projects. However the infrastructure spending beyond the World Cup capex is significantly larger at over USD 100bn and had become fast tracked due to the winning bid. In the case of a negative outcome direct spending would be halted and other projects would be downsized but the overall drag to the economy would not be as large as is speculated.

Turkey is set to enter into an uncertain period of coalition government after the 13 year reign of majority by the AKP party. The election result which has given a liberal pro-Kurdish party a position in parliament for the first time, has ruined the president's aim to alter the constitution in order to establish himself as a much more powerful executive president. The coming weeks will be dominated with coalition talks, which if unsuccessful may result in a reelection. If the country is to be led by a coalition government that can work together it should provide improved sentiment towards equity markets which contains attractive opportunities.



As of May 18, 2015

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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%	1.0%	1.1%
YTD	8.0%	6.6%	1.4%
2014	20.4%	6.0%	14.4%
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 April 27, 2015 and May 18, 2015

Fund Characteristics

No. of Holdings	26
Weighted Market Cap	USD 7.4 billion
Average Dividend Yield*	2.9%
P/E Ratio 2015	16.1x

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

Fund Metrics*

Alpha	13.6%
Beta	0.9
Volatility	12.3%
Information Ratio	2.3

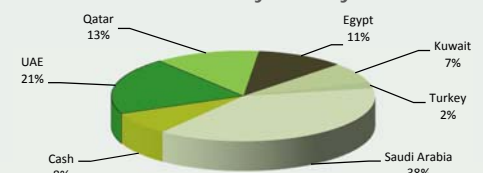
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

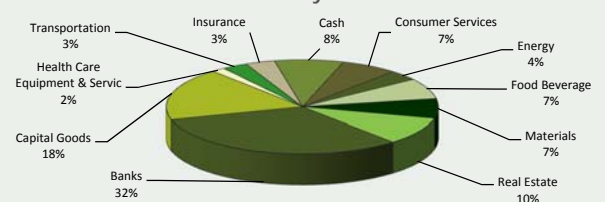
Holding	Country	% of NAV*
Saudi British Bank	Saudi Arabia	6.1%
Orascom Construction	UAE	5.7%
Saudi Hollandi Bank	Saudi Arabia	5.7%
Saudi Industrial Services	Saudi Arabia	5.1%
Elsedwy Electric	Egypt	5.0%

*Figures as of May 18, 2015

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 37.65
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	2.2%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

Fund Identifiers

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