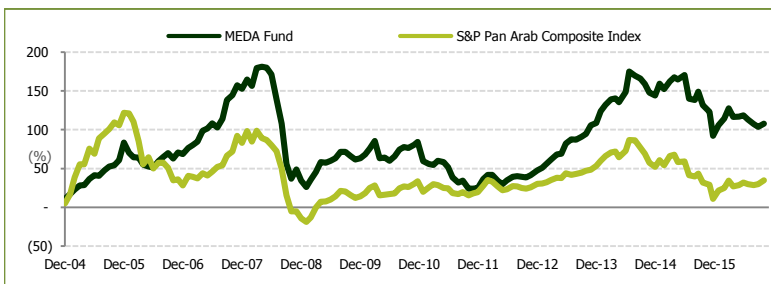


Fund Manager's Strategy & Outlook

During the previous month regional equity performance was led by the Saudi market which rallied 14.8% on an improved domestic liquidity outlook while Brent crude prices remained flat at USD 49 / bbl. The Kuwaiti index gained 2.6% while the Omani market was unchanged at 0.1%. The Dubai and Abu Dhabi markets lost 0.7% and 1.0% respectively as the Qatari index slipped 4.8%. Turkey saw its index fall by 13.5% in USD terms as there was a major sell off on the back of negative media reports about a major holding company and the currency fell 10.4% as well, causing the Central Bank to unexpectedly raise rates at the end of November. Egypt was the worst performing market as the index gained 34.3% in EGP terms but was down 33.1% in USD terms. The EGP ended the month at 17.7 vs. the USD having depreciated 100% since the end of October.

After the October USD 17.5bn sovereign bond issue by Saudi Arabia, the government has made a payment of USD 11bn to contractors which represents 25% of the receivables due from different government agencies. The Saudi government is also planning to disburse a further USD 27bn before the end of the year to contractors, while hospitals have also confirmed that they have started receiving payments as well. The rally in the market was initially driven by the banking sector as data pointed to a better picture than expected. In November, deposits grew at the fastest pace since February 2015 which has eased funding cost pressures while SIBOR rates are now at 2.05% vs. the high of 2.39% they reached in mid-October. The equity market continues to push higher as we approach the 2016 fiscal balance and 2017 budget announcement. For the current year the country is on track to generate oil revenues 30% above the target budgeted at the start of the year, while meeting the IMF's targeted budget deficit of 13% of GDP. For next year the IMF targets the sovereign to reduce the deficit to 9.6% of GDP. It is expected that further subsidy cuts and fees are likely to accompany the budget announcement which will likely be taken negatively by the market.

Oil prices have spiked since the agreement between OPEC and non OPEC countries to cut production which is also fueling the Saudi market rally. A total of 1.8mbpd has been agreed on being curtailed by global oil producers which has taken Brent prices over USD 55 / bbl, the highest level seen this year. If implemented this will be the first cut in eight years and the three key producers Iran, Iraq and Saudi Arabia have resolved their differences over sharing the burden of cuts. The agreement is an important step forward towards restoring the cartel's credibility and improving the outlook on prices. If all parties adhere to their commitments in a timely fashion, based on IEA estimates crude markets are in a position to move from a surplus to a deficit in the first half of 2017. Shale oil production in the US has been on a decline for two years on the back of weak prices, however shale companies could take advantage of the price jump and lock their future production with hedges. An increase in average prices for 2017 nonetheless will stand to be beneficial across the entire Gulf region.



As of November 30, 2016

Sherif El Haddad, Fund Manager
 EFG-Hermes Asset Management
 Tel: 9714-363 4047 / Fax: 9714-362 1171
 e-mail : AMSales@efg-hermes.com

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**	1.9%	3.8%	-1.9%
YTD	-6.9%	4.3%	-11.2%
2015	-10.0%	-18.0%	8.0%
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 October 31 2016 and November 28, 2016

Fund Characteristics

No. of Holdings	21
Weighted Market Cap	USD 6.5 billion
Average Dividend Yield*	2.5%
P/E Ratio 2016	12.6x

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

Fund Metrics*

Alpha	7.0%
Beta	0.9
Volatility	15.5%
Information Ratio	1.2

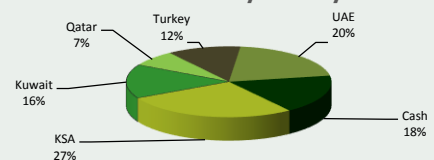
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

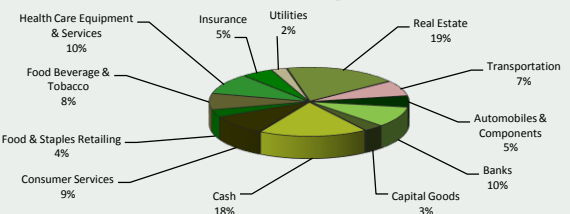
Holding	Country	% of NAV*
Aramex	UAE	7.3%
Kuwait Food Co Americana	Kuwait	6.4%
Co for Cooperative Insurance	KSA	5.2%
Mabane Co	Kuwait	5.1%
Mouwasat Medical Services	KSA	5.0%

*Figures as of November 28, 2016

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 29.23
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	1.80%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

Fund Identifiers

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