

Fund Manager's Strategy & Outlook

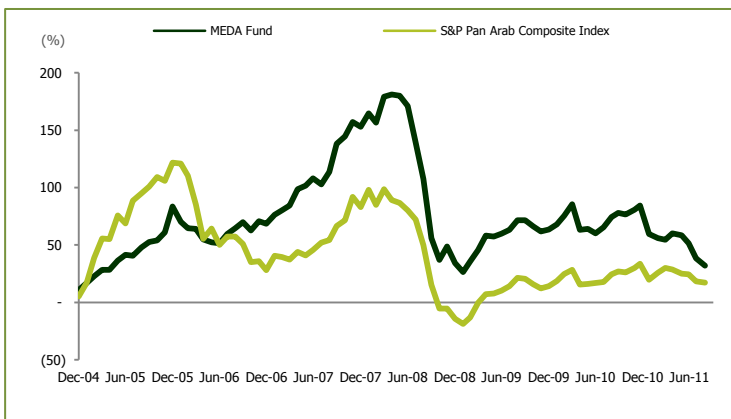
September was a difficult month as global markets experienced another steep sell-off. The majority of MENA markets declined during September on the lack of credible policy action over the Eurozone's debt woes and the increasing likelihood of a double dip recession. Risk appetite waned across the MENA markets and flight to safety continued. A resilient Saudi market gained 2.2%, followed by modest gains in the Kuwaiti and Qatari bourses. The Egyptian market was the worst performing regional market declining 10.8% followed by Dubai and Abu Dhabi which declined by 4.1% and 3.2%, respectively, over the period.

Performance and investor sentiment across regional bourses continued to be dominated by ongoing global events. Going forward, the extent of the economic downside risks in the MENA markets will depend largely upon the severity of a global recession and the timeframe for the resolution of the Eurozone debt crisis.

While we believe that markets are likely to remain volatile, the GCC markets have displayed some resilience throughout this 2 month decline, providing us with some comfort that, should risk appetite pick up, the Fund will be well positioned to capture any potential upside.

In Egypt, the dismal performance of the market was triggered by the lack of a clear timeline for presidential and parliamentary elections. Ezz Steel's unfavorable court ruling also weighed on the market as investors anticipated a similar judiciary outcome for developers Talaat Moustafa and Palm Hills. At current levels, and given the severity of the decline in the Egyptian market, we believe that the risk reward is becoming more compelling.

Given the recent turn of events in Egypt, the Investment Manager decreased the Fund's country exposure to 20% while increasing cash levels to 10%. The Investment Manager has also reshuffled the Fund's UAE positions to include names that could potentially benefit from increased flows on the back of a potential MSCI Emerging Market status upgrade.



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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**	-4.6%	-0.9%	-3.7%
YTD	-27.0%	-9.9%	-17.1%
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	-24.3%	-5.8%	-18.5%
3 year	-36.4%	-21.7%	-14.7%
5 year	-19.9%	-25.5%	5.6%
Since Inception*	32.0%	17.3%	14.7%

*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 August 29th, 2011 and September 26th, 2011

Fund Characteristics

No. of Holdings	25
Weighted Market Cap	USD 8.9 billion
Average Dividend Yield*	6.8%
P/E Ratio 2011	9.2x

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

Fund Metrics*

Alpha	0.8%
Beta	0.7
Standard Deviation	6.0%
Information Ratio	0.1

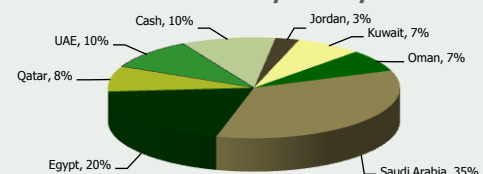
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since index inception in December 2004

Top Five Equity Holdings

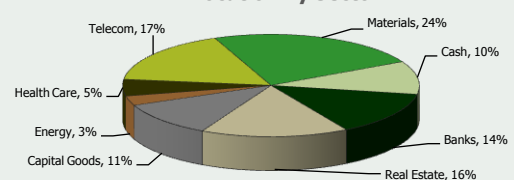
Holding	Country	% of NAV*
Mobile Telecommunications Co.	Kuwait	7.3%
Talaat Mustafa Holding	Egypt	7.1%
El Ezz Steel	Egypt	5.8%
Mouwasat	Saudi Arabia	5.3%
Emaar Properties	United Arab Emirates	5.1%

*Figures as of September 26th, 2011

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 18.58
Fund Size (USD)	USD 148 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