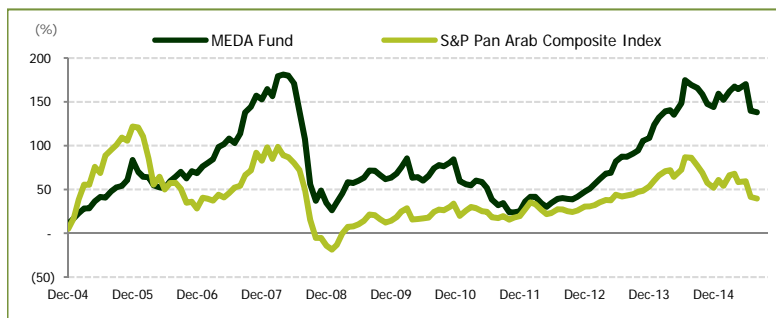


Fund Manager's Strategy & Outlook

The MENA markets were resilient last month in light of a 9.7% drop in crude prices which broke below the USD 50 / bbl level again. The Turkish bourse displayed the strongest performance having gained 0.9% while the Egyptian and Abu Dhabi markets gained 0.5% and 0.2% respectively. The Dubai Index remained unchanged, the Qatari bourse lost 0.8% and the Saudi as well as the Kuwaiti Indices both lost 1.1%. The Omani market was the worst performing over the period with a drop of 2.0%.

Saudi Arabia has reportedly ordered spending cuts due to the weak oil price environment and is seeking advice on budget cuts which does not come as a surprise. However, the government has spent a total of SAR 106bn in capex in the first nine months of the year compared to SAR 170bn in the first nine months of 2014. This represents a 38% drop Y-o-Y but the government has also recently incurred the large additional expenses of a war in Yemen and bonus payments to citizens paid earlier in the year. The expectation is that key spending on health, infrastructure and education will not be impacted by any cuts and the country will be able to rely on debt issuances to reduce the deficit. Oman has announced its first sovereign sukuk issue recently as well and these issuances should increase over the coming months. OPEC has stated it expects oil prices to gain USD 5 / bbl annually until 2020 as production declines in other parts of the world such as North America which would prove to be a positive for Saudi Arabia and neighboring economies. Saudi Arabia is also dealing with recent tragedies surrounding the pilgrimage season. The crane collapse has resulted in news that the contracting group SBG may see all of its projects reviewed and it may be suspended from tendering for new work. There could potentially be negative headwinds amongst some names in the banking sector that have exposure to the sector. The Egyptian President has sworn in a new interim government which includes 16 new ministers appointed out of the 33 member cabinet. Parliamentary elections are set to start in October and conclude in December with the first session of parliament scheduled for January 2016. A corruption scandal resulted in the resignation of several ministers in the previous cabinet, and the new cabinet is not expected to enact major changes but this comes as a positive step. The fiscal consolidation plan as well as the goal in paying down payable to international oil companies is expected to continue. The Finance Minister stated that long anticipated VAT introduction by the end of the year would generate an addition of EGP 31bn in revenue for the government. This tax is likely to be applied on non-essential items such as cigarettes and the draft law may be presented prior to parliamentary elections to avoid any delays. With falling reserves, two large debt repayments, no major inflow in the short term and less likely support from GCC neighbors, the country will likely look to a Eurobond sale.

The Fed rate hike which was anticipated to occur in September did not happen and now December looks like a likely scenario. The Fed stated that it would keep rates unchanged until the economy has seen further improvement toward reaching a goal of maximum employment as well as a 2% inflation target. For the region in the short term, third quarter results will provide an upcoming catalyst and help determine market direction during October.



As of September 21, 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**	-0.7%	-1.2%	0.5%
YTD	-3.8%	-11.3%	7.5%
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 August 31, 2015 and September 21, 2015

Fund Characteristics

No. of Holdings	27
Weighted Market Cap	USD 4.7 billion
Average Dividend Yield*	2.7%
P/E Ratio 2015	14.8x

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

Fund Metrics*

Alpha	13.0%
Beta	0.9
Volatility	13.7%
Information Ratio	2.28

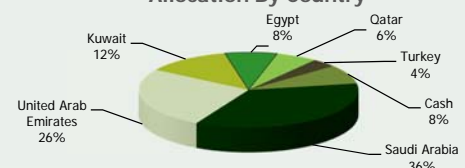
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since 29th December 2011

Top Five Holdings

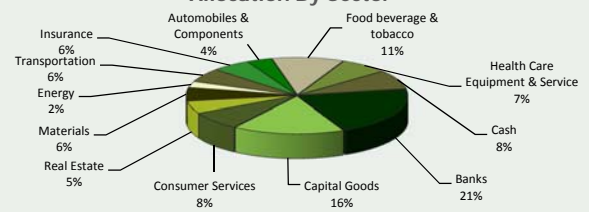
Holding	Country	% of NAV*
Mezzan Holding	Kuwait	7.5%
Bupa Arabiap	Saudi Arabia	5.7%
Orascom Construction	UAE	5.7%
ElSwedy Electric	Egypt	5.1%
Al Noor Hospitals Group	UAE	4.7%

*Figures as of September 21, 2015

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 33.53
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
Merrill Lynch Code	EFGAT