



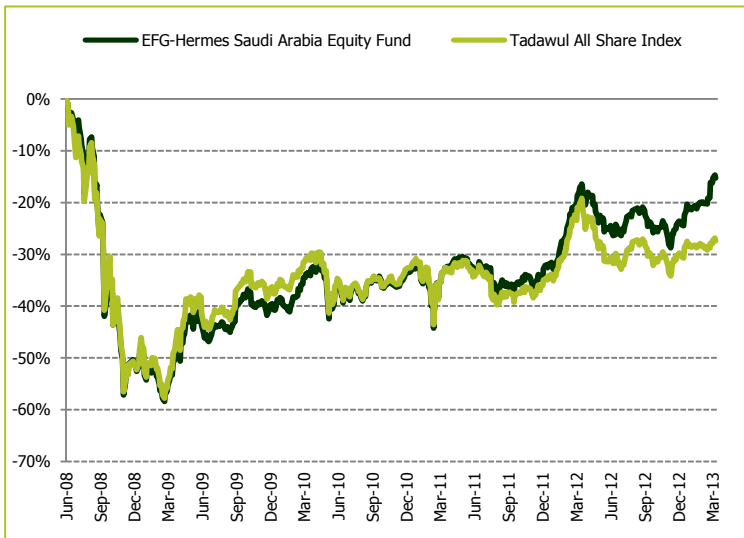
Fund Manager's Strategy & Outlook

The Saudi market rebounded in March with the Tadawul All Share Index gaining 1.8% for a YTD performance of 4.8%. The Fund gained 6.0% during the month and is now up 12.2% YTD. Turnover was slightly lower MoM with daily traded value averaging USD 1.5 billion, skewed down by low turnover during the first week of the month.

An Abu Dhabi real estate developer, Eshraq Properties, announced its plans to list its shares in Saudi Arabia. The company is currently seeking approval from regulators in the United Arab Emirates and Saudi. If approved, this would be the first company from outside Saudi Arabia to obtain a cross-listing in the Kingdom following the Capital Market Authority's recent amendment of listing rules to allow cross-listings. We believe this is a positive development for the Saudi market and a step towards further expansion of its breadth.

Sector performance was mixed in March. Retail, the Fund's top overweight, was the best performer rallying 7.7%. Real estate, telecoms, and petrochemicals also performed well gaining 7.3%, 5.2% and 4.4% respectively. On the other hand, multi investment was the worst performer dropping 6.4% with banks and cements ending the month in negative territory losing 2.5% and 1.7% respectively. The Investment Manager reduced exposure to retail companies and increased exposure to agriculture & food companies during the month. Overall exposure was maintained at a high level.

First quarter earnings will be reported during the first 3 weeks of April. Excluding petrochemical companies, whose earnings should see some pressure on the back of maintenance related shutdowns at several manufacturing facilities during 1Q 2013, aggregate earnings are expected to record healthy growth and hence support the market going into the second quarter of the year.



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Objective

The principal objective of the Fund is medium and long term capital appreciation through investing in Saudi Arabian equity and equity related securities.

Fund Performance

	Saudi Fund	TASI	Difference
Month to Date**	6.0%	1.8%	4.2%
Year to Date	12.2%	4.8%	7.4%
2012	11.2%	6.0%	5.2%
2011	1.8%	-3.1%	4.9%
2010	12.7%	8.2%	4.5%
2009	22.4%	27.5%	-5.1%
Inception to Date*	-15.3%	-27.4%	12.1%

*Fund's inception date was June 17th, 2008

** MTD figures reflect performance between February 28th, 2013 and March 31st, 2013

Fund Characteristics

No. of Holdings	31
Weighted Market Cap	SAR 48.7 billion
Dividend Yield*	3.2%
P/E Ratio 13	11.7x

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

Fund Metrics

	Saudi Fund	TASI
Volatility	23.7%	23.8%
Beta*	0.98	-

*Calculated vs. the Tadawul All Share Index (TASI) since the Fund's inception

Top Five Equity Holdings

Holding	Sector	% of NAV
SABIC	Petrochemical Industries	9.4%
Al Rajhi Bank	Banks & Financial Services	8.0%
Etihad Etisalat	Telecom. & Information Tech.	6.3%
Samba Financial Group	Banks & Financial Services	5.5%
Banque Saudi Fransi	Banks & Financial Services	4.7%

Fund Data

NAV per Share	SAR 8.4730
Management Fee	2%
Minimum Subscription	SAR 50,000
Subscription / Redemption	Twice Weekly
Inception Date	June 17, 2008

Fund Identifiers

Bloomberg Ticker	EFGSAUD AB
Reuters Code	LP65122906

Allocation by Economic Sector

