

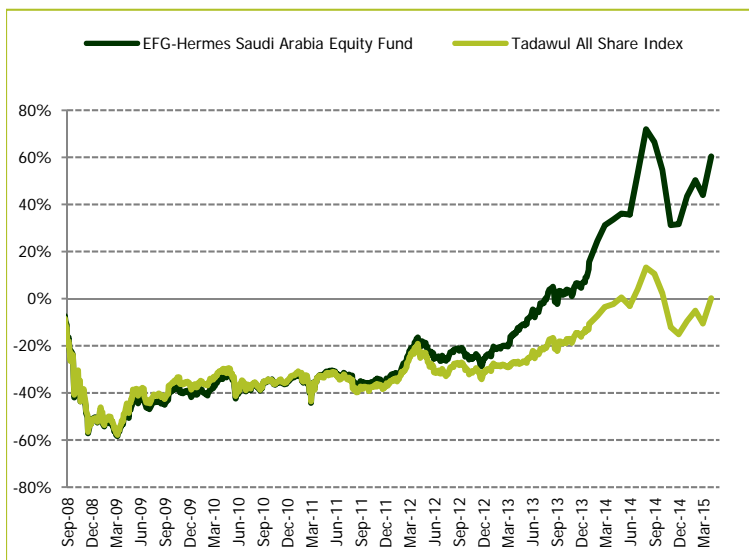
Fund Manager's Strategy & Outlook

The Saudi market rallied sharply in April with the Tadawul All Share Index gaining 12.0% for a YTD return of 18.0%. The Fund gained 11.4% during the month and is now up 21.8% YTD. The rally was largely driven by the regulator's announcement that the final regulations for qualified foreign institutions (QFIs) will be published in early May and the market will be opened to QFIs in mid-June. Turnover decreased slightly with daily traded value averaging USD 2.4 billion in April.

The market's aggregate earnings for 1Q2015 came in at SAR 22.1 billion, down 21.5% YoY largely on the back of a big drop in petrochemicals and telecoms net profit. The lower petrochemical earnings are due to the sharp YoY decline in oil prices while the telecom sector earnings slump is a result of the continued negative surprises at Etihad Etisalat (Mobily) following its earlier restatement of financials. Excluding petrochemicals and telecoms, aggregate earnings were up 3.2% YoY.

All sectors were up in March led by petrochemicals, transportation, and industrial investment rallying 22.4%, 15.4%, and 15.3% respectively. On the other hand, cements, telecoms, and multi-investment were the worst performing sectors gaining 4.8%, 5.2%, and 5.3% respectively. The Investment Manager reduced exposure to retail and insurance and increased exposure to banks and industrial investment companies during the month.

With the market up 18.0% in the first 4 months of the year, the Investment Manager believes that the June market opening is now largely priced in, and hence expects the market to slowdown and consolidate in the short term with the medium to long term outlook remaining very positive.



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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 ¹	Difference
Month to Date**	11.4%	12.0%	-0.6%
YTD	21.8%	18.0%	3.8%
2014	17.2%	-2.4%	19.6%
2013	48.8%	25.5%	23.3%
2012	11.2%	6.0%	5.2%
2011	1.8%	-3.1%	4.9%
2010	12.7%	8.2%	4.5%
Inception to Date*	60.4%	0.2%	60.2%

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

** MTD figures reflect performance between 31 March, 2015 and 30 April, 2015

¹TASI is a price return index

Fund Characteristics

No. of Holdings	31
Weighted Market Cap	SAR 57.5 billion
Dividend Yield*	3.4%
P/E Ratio 15	15.4

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

Fund Metrics

	Saudi Fund	TASI
Volatility	23.4%	22.5%
Beta *	1.0	-

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

Top Three Equity Holdings

Holding	Sector	% of NAV
Samba Financial Group	Banks & Financial Services	6.5%
Saudi Basic Industries	Petrochemical Industries	5.0%
Al Rajhi Bank	Banks & Financial Services	4.7%

Fund Data

NAV per Share	SAR 16.0387
Management Fee	2%
Minimum Subscription	SAR 50,000
Subscription / Redemption	Twice Weekly
Inception Date	June 17, 2008

Fund Identifiers

ISIN Code	XC000A1W4DX3
Bloomberg Ticker	EFGSAUD AB
Reuters Code	LP65122906

Allocation by Economic Sector

