

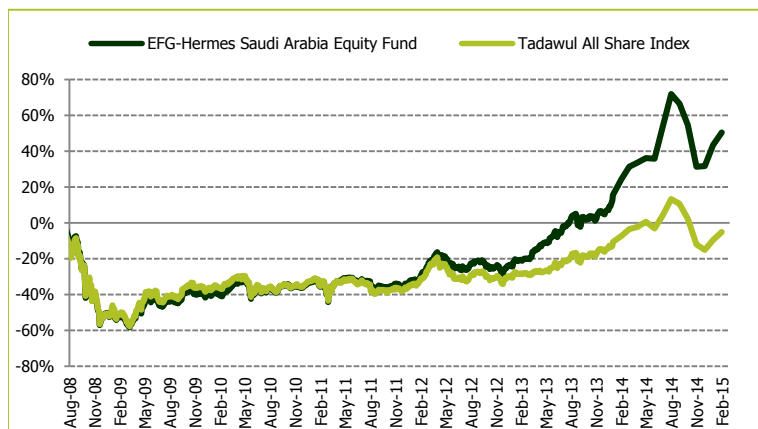
### Fund Manager's Strategy & Outlook

The Saudi market continued its positive performance in February with the Tadawul All Share Index gaining 4.9% for a YTD return of 11.8%. The Fund gained 4.8% during the month, and is now up 14.2% YTD. Turnover continued to strengthen with daily traded value averaging USD 2.6 billion in February.

King Salman ordered the payout of a one-off two-month bonus to all national state employees, pensioners, social security beneficiaries, and state-sponsored students. This came as part of a bundle of decisions that included a reshuffle in key government positions and the consolidation of 12 government bodies into 2: Council of Political and Security Affairs, and Council of Economic and Development Affairs. The King also ordered the allocation of SAR 20 billion towards water and electricity services. The additional outlays are expected to add a minimum of SAR 90 billion to the 2015 budget of SAR 860 billion and should prop up consumer confidence and spending and mitigate the impact of lower oil prices on non-oil GDP growth in 2015.

Most sectors were up in February, with real estate and industrial investment ending the month among the top performers rallying 15.5% and 11.6%, respectively. Telecoms and cements were among the worst performers losing 3.0% and 2.6%, respectively. Banks outperformed gaining 6.9% while petrochemicals underperformed gaining 3.2%. The Investment Manager reduced exposure to banks, hotel & tourism, and industrial investment companies and increased exposure to cement companies during the month. Cash was increased to 9.4% at month end.

After rallying 11.8% during the first two months of the year, the Saudi market is expected to slowdown in the short term. The Investment Manager will be looking to utilize any pullback to reposition the Fund for the first earnings season 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 <sup>1</sup>	Difference
Month to Date**	4.8%	4.9%	-0.1%
YTD	14.2%	11.8%	2.4%
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%
2009	22.4%	27.5%	-5.1%
Inception to Date*	50.3%	-5.1%	55.4%

\*Fund's inception date was June 17<sup>th</sup>, 2008

\*\* MTD figures reflect performance between 31 January, 2014 and 28 February, 2015

<sup>1</sup>TASI is a price return index

### Fund Characteristics

No. of Holdings	33
Weighted Market Cap	SAR 47.8 billion
Dividend Yield*	2.4%
P/E Ratio 15	14.7

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

### Fund Metrics

	Saudi Fund	TASI
Volatility	23.3%	22.2%
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	7.2%
Saudi Basic Industries	Petrochemical Industries	6.2%
Al Rajhi Bank	Banks & Financial Services	6.0%

### Fund Data

NAV per Share	SAR 15.034
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

