

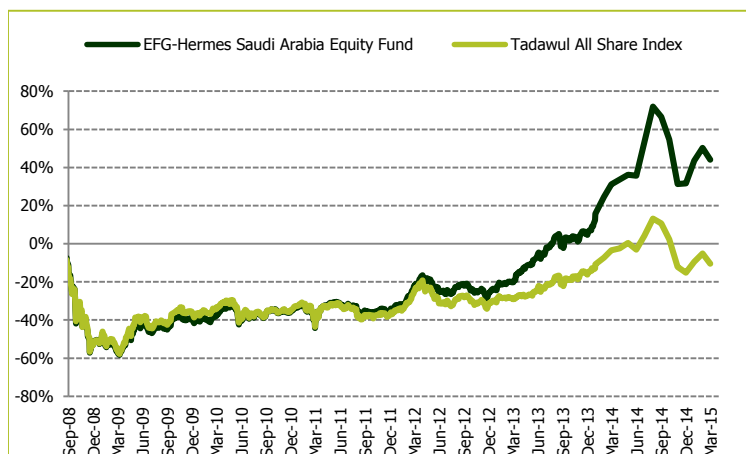
Fund Manager's Strategy & Outlook

The Saudi market corrected sharply in March with the Tadawul All Share Index losing 5.7% for a YTD return of 5.4%. The Fund lost 4.2% during the month and is now up 9.4% YTD. The pullback started with a wave of profit-taking post a strong rally in the first two months of the year and then the sell-off intensified due to Saudi's military intervention in Yemen. Turnover decreased slightly with daily traded value averaging USD 2.5 billion in March.

Saudi Arabia spearheaded a coalition of nine Arab states and launched an airstrike campaign in neighboring Yemen on 25 March 2015 codenamed "Operation Decisive Storm". The campaign was in response to a request for assistance from Yemeni President Abd Rabbuh Hadi following the Iran backed Houthis offensive on Aden, the provisional capital of the Yemeni government. Fighter jets from Egypt, Morocco, Jordan, Sudan, the United Arab Emirates, Kuwait, Qatar, and Bahrain also took part in the operation.

Most sectors were down in March with petrochemicals being the hardest hit sector losing 10.1%. Banks also sold-off aggressively losing 7.7%, while food & agriculture lost 7.2%. Transportation, real estate, and insurance were the main sectors that had a positive performance during the month gaining 1.3%, 0.8% and 0.3%, respectively. The Investment Manager reduced exposure to insurance, real estate, and petrochemicals and increased exposure to retail companies and banks during the month.

While the Saudi market might continue to be pressured in the short term by the Yemeni situation and weak 1Q2015 results expectations, the expected opening of the market to foreign investors in 1H2015 should act as a major positive catalyst.



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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** | -4.2% | -5.7% | 1.5% |
| YTD | 9.4% | 5.4% | 4.0% |
| 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* | 44.0% | -10.6% | 54.6% |

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

** MTD figures reflect performance between 28 February, 2015 and 31 March, 2015

¹TASI is a price return index

Fund Characteristics

| | |
|---------------------|------------------|
| No. of Holdings | 32 |
| Weighted Market Cap | SAR 43.6 billion |
| Dividend Yield* | 3.8% |
| P/E Ratio 15 | 13.9 |

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

Fund Metrics

| | Saudi Fund | TASI |
|------------|------------|-------|
| Volatility | 23.2% | 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 | 5.5% |
| Al Rajhi Bank | Banks & Financial Services | 4.8% |
| Riyad Bank | Banks & Financial Services | 4.3% |

Fund Data

| | |
|---------------------------|---------------|
| NAV per Share | SAR 14.402 |
| 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

