

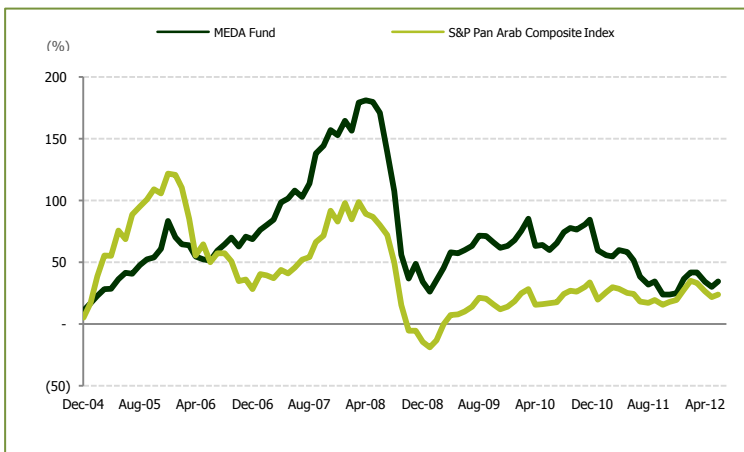
Fund Manager's Strategy & Outlook

The majority of the regional markets fared well in July following 3 consecutive months of declines on global risk aversion and an escalation in the Eurozone debt crisis. The MEDA Fund gained 3.5% in July versus the index which was up 1.7%. Volumes have been higher than usual throughout this summer, raising the possibility that the worst of the declines is behind us. Dubai and Saudi were amongst the strong performing markets this month- gaining 6% and 4% respectively. The Egyptian market also added 3% in July.

While the global growth backdrop and commodity prices have weakened recently, the MENA macro outlook remains resilient- investment programs remain on track- and the GCC countries are backed with large net foreign assets, giving them a substantial fiscal cushion and the banking system is now well capitalized, reducing the impact of a tail risk in the event of external contagion.

We continue to hold the view that the region's richer countries- namely Saudi Arabia, Qatar, and the UAE will have a better chance to outperform the wider region- hence we have positioned the Fund in the sources of growth within these markets- namely companies that will benefit from the domestic consumption and infrastructure investment stories. Egypt remains vulnerable due to economic challenges and political uncertainty- we remain cautious in the short term.

While we still believe political headwinds remain in the region (namely the escalating conflict in Syria, and the tug of geopolitical tensions with Iran) our view is that the strengthening regional macro prospects will continue to distinguish the region as an attractive investment in the medium term.



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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**	3.5%	1.7%	1.8%
YTD	8.7%	5.2%	3.5%
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
 **MTD figures reflect performance between June 25th, 2012 and July 30th, 2012

Fund Characteristics

No. of Holdings	26
Weighted Market Cap	USD 12.4 billion
Average Dividend Yield*	3.2%
P/E Ratio 2012	11.2x

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

Fund Metrics*

Alpha	0.5%
Beta	0.7
Standard Deviation	5.8%
Information Ratio	0.0

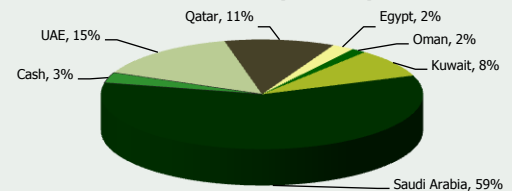
*Calculated vs. S&P Pan Arab Composite Large/Mid Cap Net TR USD since index inception in December 2004

Top Five Equity Holdings

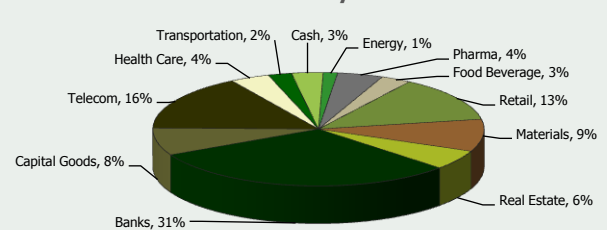
Holding	Country	% of NAV*
Fawaz Abdul Aziz Al Hokair	Saudi Arabia	7.7%
SABIC	Saudi Arabia	6.8%
Rajhi Bank	Saudi Arabia	6.7%
Etihad Etisalat	Saudi Arabia	6.2%
Emaar Properties	United Arab Emirates	5.5%

*Figures as of June 25th, 2012

Allocation By Country



Allocation By Sector



Fund Data

NAV per Share (Class A)	USD 18.96
Fund Size (USD)	USD 80 million
Launch Date	July 1999
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	2.2%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

Fund Identifiers

ISIN (Class A shares)	BMG294041030
Bloomberg Ticker	EFGMEAF BH