



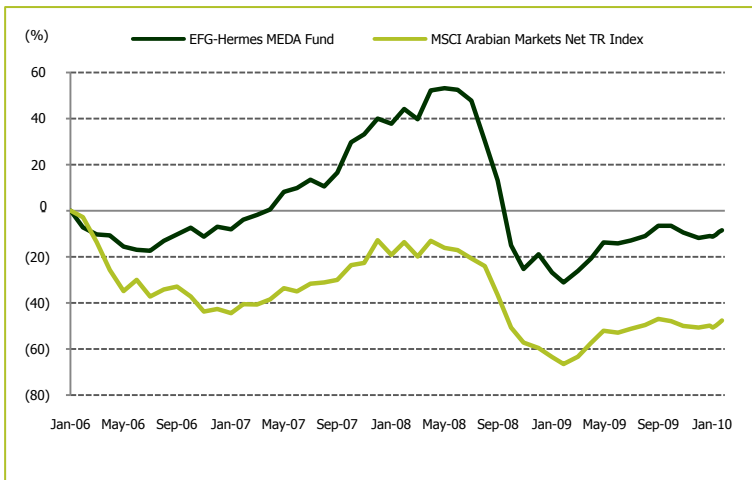
Fund Manager's Strategy & Outlook

The EFG-Hermes MEDA Fund posted a gain of 2.8% during the month on the back of improving investor sentiment, higher oil prices and robust macroeconomic data. Most GCC markets performed well with Kuwait leading the rally with a 5% gain. The Egyptian market experienced a mild correction of 2% following its strong January performance.

In the GCC, the Dubai markets remained largely flat as the uncertain and protracted process of deleveraging the emirate's balance sheet continues. We believe that this will continue to be an overhang for the real estate and banking sectors. As we highlighted previously, we believe that the Dubai situation will result in greater differentiation in the MENA markets based on economic and financial realities. The countries with strong fundamentals will recover, while countries with the debt burdens will continue to experience some volatility. Despite cautious investor sentiment in the UAE, however, we would not discount the possibility of a relief rally fueled by additional clarity on Dubai World's debt restructuring, as well as more details regarding potential mergers and acquisitions in the market (namely Arabtec/Aabar and Tamweel/Amlak). Nevertheless, we continue to position the Fund in countries and companies in which we see the strongest fundamentals.

The best performing market in February was Kuwait which rallied 5% on news of Zain Telecom's anticipated sale of its African operations to Bharti Airtel for USD10.7 billion, as well as positive macro developments with the Kuwaiti parliament passing a USD104 billion 4-year development plan. Despite these positive developments, we remain cautious on the market as we believe fundamentals remain shaky and investor confidence has not yet been fully restored. Implementation of the country's ambitious development plan will invariably take time, but will remain the key to our outlook on that market.

The Egyptian market experienced a mid-month correction as investors booked profits following the strong performance in January. The Investment Manager used this weakness to add to the Fund's exposure in the market. A supportive policy environment coupled with recovering external demand, improving capital inflows and a liquid banking sector should continue to support the Egyptian economy in the coming months.



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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	MSCI Arabia*	Difference
MTD**	2.8%	4.4%	-1.6%
YTD	3.9%	6.1%	-2.2%
2009	8.7%	22.2%	-13.5%
2008	-42.1%	-53.8%	11.7%
2007	50.5%	52.1%	-1.6%
2006	6.2%	-42.7%	48.9%
2005	60.9%	NA	NA

	MEDA Fund Class A	MSCI Arabia*	Difference
1 year	33.0%	56.0%	-23.0%
3 year	-4.7%	-12.0%	7.3%
5 year	43.7%	NA	NA
Since Inception*	-8.5%	-47.8%	39.3%

*MSCI Arabian Markets Net TR USD Index launched in January 2006

**Performance figures are reflective of the period from January 25th, 2010 to February 22nd, 2010

Fund Characteristics

No. of Holdings	32
Weighted Market Cap	USD 8.6 billion
Dividend Yield	2.9%
P/E Ratio 10	10.1x

Fund Metrics*

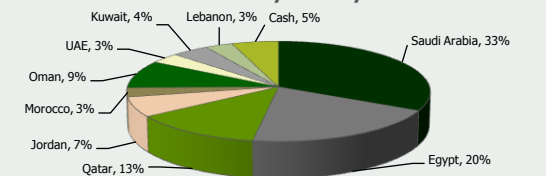
Alpha	6.5%
Beta	0.7
Standard Deviation	17.8%
Information Ratio	0.7

*Calculated vs. MSCI Arabian Markets Net TR USD since index inception in January 2006

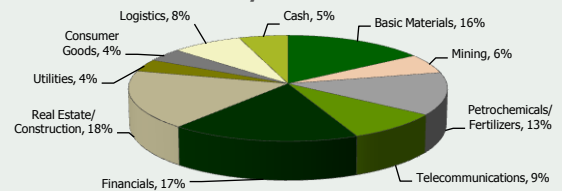
Top Five Equity Holdings

Holding	Country	% of NAV
El Sewedy Cables	Egypt	6.3%
Saudi Arabian Mining Co. (Maaden)	Saudi Arabia	6.0%
Sahara Petrochemicals Co.	Saudi Arabia	5.0%
Orascom Telecom	Egypt	4.7%
Yansab	Saudi Arabia	4.6%

Allocation By Country*



Allocation By Economic Sector*



Fund Data

NAV per Share (Class A)*	USD 23.66
NAV per Share (Class C)*	USD 23.49
No. of Share Certificates	13,133,420
Management Fee	1.4%
Incentive Fee	15% over 10%
Expense Ratio	2.1%
Minimum Subscription	USD 10,000
Subscription / Redemption	Weekly

* NAV per share and asset allocation figures are as of February 22nd, 2010

Fund Identifiers

ISIN (Class A shares)	BMG294041030
ISIN (Class C shares)	BMG294042020
Bloomberg Ticker	EFGMEAF BH