The EFG-Hermes Middle East & Africa Telecom Fund
November 2012

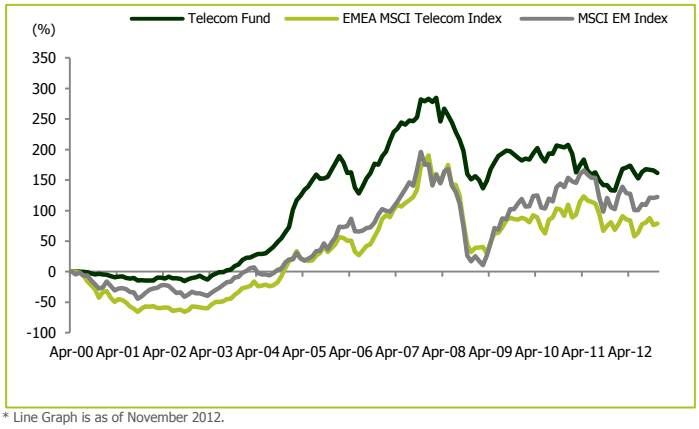
Fund Manager's Strategy & Outlook

A difficult November saw the EFG-Hermes Telecom Fund lose 1.6% as geo-political events in Egypt and Saudi Arabia had an adverse affect on some of our top holdings. During the month, the global environment was certainly more benign than our region, especially with the conclusion of the American presidential elections and the appointment of a new government in China. Global macro data has seen an uptick during the past 6 weeks and this was reflected in the financial markets. Having said that, worries over the US fiscal cliff continue to hold the markets back but a conclusion should be imminent one way or the other. This should provide investors with a clearer view for the coming year on how to best navigate the markets.

Non-financial events were the main drivers of our performance during November as holdings in Egypt and Saudi Arabia sold off on the back of geo-political events in their local markets. In Egypt, President Morsy issued a controversial constitutional decree that granted him increased powers and limited the role of the judiciary, sparking off a wave of protests not seen since the Jan 25th revolution. The perceived power grab and the subsequent public reaction sent the local market tumbling 11.6% as fears of instability returned. As you would expect, this had an adverse affect on our local holdings. While the investment manager is worried about the ongoing events, our investments in that market (OTH and OTMT) derive more than 90% of their income from outside of Egypt and continue to present a compelling value proposition.

Over in Saudi Arabia, ongoing speculation about the King's health and succession fears dragged the local index down by 3.8%. Needless to say, our holdings in that market declined in kind. While the investment manager is concerned by the volatility that such events create, it is our view that the market is not accurately pricing in the potential for a smooth transition. In all cases, the King made an appearance soon after and put to rest any immediate concerns. On a more micro level, our holding in Etihad Etisalat witnessed some volatility as the regulator temporarily banned pre-paid SIMS for the operator, then reversed the decision soon after. We continue to be big believers in our Saudi holdings as they combine cheap valuations with significant dividend growth.

As we enter the final month of what has been a slightly less volatile year, we will be revisiting our allocation decisions as we begin to plan for the next 12 months. We have begun to slightly rebalance our portfolio to better capture value against what we expect to be a more constructive backdrop for markets in 2013. Geo-politics aside, we remain confident that the fund will continue to deliver long term capital appreciation.



* Line Graph is as of November 2012.

EFG-Hermes Asset Management

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Objective

Long-term capital appreciation through investing in listed and unlisted equities and equity-related securities of telecommunications, media, entertainment, information technology, internet and e-commerce companies and related infrastructure companies established or operating in the Middle East and Africa.

Fund Performance

Returns	Telecom Fund
Month to Date*	-1.6%
Year to Date	12.4%
2011	-24.5%
2010	9.2%
2009	9.9%
2008	-33.1%
2007	32.5%
2006	4.0%
2005	60.6%

Returns	Telecom Fund
1 year	12.1%
3 year	-8.7%
5 year	-30.9%
Since Inception	161.5%

* MTD figures reflect performance between October 31st, 2012 and November 29th, 2012.

Fund Characteristics

No. of Holdings	11
Wtd. Market Cap	USD 8.9 billion
Dividend Yield*	12.6%
P/E Ratio 13	11.9x

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

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	14.0%
Annualized Information Ratio	14.6%

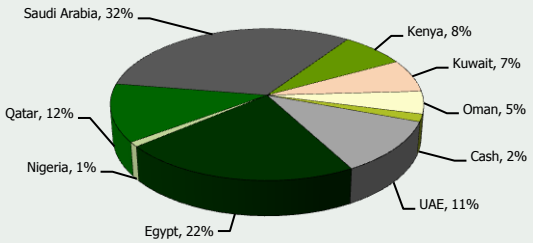
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Etihad Etisalat	Saudi Arabia	16.8%
Orascom Telecom	Egypt	10.7%
Qatar Telecom	Qatar	10.0%
Emirates Integrated Telecomm	UAE	9.2%
Saudi Telecom	Saudi Arabia	9.1%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 26.15
No. of Share Certificates	667,922
Launch Date	April 2000
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	2.4%
Minimum Subscription	USD 10,000
Subscription / Redemption	Monthly

Fund Identifiers

ISIN	BMG294021073
Bloomberg Ticker	EFGHTEL BH

This update does not constitute an offer of shares and should not be relied upon by any person acquiring or otherwise dealing in shares of the company. Subscription of shares in the company may only currently be made on the terms of the Placing Memorandum of the company. It should be noted that investment in the fund is only suitable for sophisticated investors who are aware of the risks of investing in The EFG-Hermes Telecom Fund Limited and should be regarded as long term. Please remember that past performance is not necessarily a guide to the future. Market and currency movements may cause the value of shares and the income from them to fluctuate and you may get back less than you invested when you decide to sell your share.