The EFG-Hermes Middle East & Africa Telecom Fund
September 2013

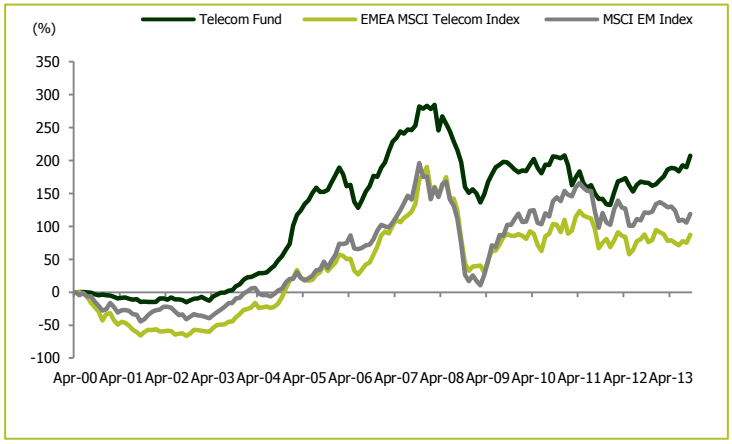
Fund Manager's Strategy & Outlook

The EFG-Hermes Telecom Fund gained 6% during the month as regional and global markets rebounded on the decreased likelihood of a US airstrike on Syria. Markets across the board reversed significant losses recorded early on in the month as a Russian sponsored initiative to rid Syria of chemical weapons gained broad international acceptance. Furthermore, strengthening macroeconomic data from both the US and China improved investor sentiment and drove markets higher. In terms of our investable universe, the Fund returns were boosted by receipt of the proceeds from the AccessKenya transaction and gains from all our other African holdings.

During the month, the Fund received the proceeds from the tender offer submitted by Dimension Data to purchase 100% of AccessKenya. The tender was executed at a price of 14 Ks, which translated into a 43% premium to the last traded price. The investment in AccessKenya is a good illustration of how our bottom up approach identifies investment opportunities and helps gauge the risk/reward profile. Completion of this transaction contributed more than half the gains registered during the month.

Staying with Africa, our holdings in Egypt and South Africa all contributed positively to the Fund during the month. In Egypt, Telecom Egypt gained 8.7% during the month on the back of an attractive yield and expectations that the company will be awarded the 4th mobile license. Over in South Africa, shares in MTN, Telkom SA and Vodacom gained 6.8%, 8% and 7.2% respectively during the month. Most of the price action was driven by strong Q2 results and a general rebound across emerging markets.

As we enter the final quarter of the year, we remain cautiously optimistic on markets despite the increasing volatility this past quarter. Worries persist with regards to the US debt ceiling stand-off and the ongoing Syrian situation. Nevertheless, we continue to find value across our investable universe as valuations and dividend yields remain compelling. During the coming period, we will continue to search for new opportunities in new markets.



* Line Graph is as of September 2013.

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*	6.0%
Year to Date	16.3%
2012	13.5%
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	15.1%
3 year	0.2%
5 year	3.2%
Since Inception	207.1%

* MTD figures reflect performance between August 31st, 2013 and September 30th, 2013.

Fund Characteristics

No. of Holdings	11
Wtd. Market Cap	USD 11.7 billion
Dividend Yield*	4.1%
P/E Ratio 13	12.3x

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

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	13.7%
Annualized Information Ratio	18.2%

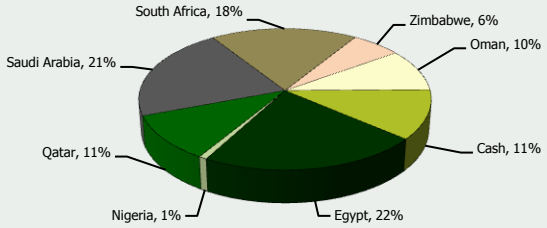
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Etihad Etisalat	Saudi Arabia	17.5%
Telecom Egypt	Egypt	8.9%
Ooredoo	Qatar	8.5%
Nawras	Oman	7.9%
Global Telecom	Egypt	5.7%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 30.71
No. of Share Certificates	662,373
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.