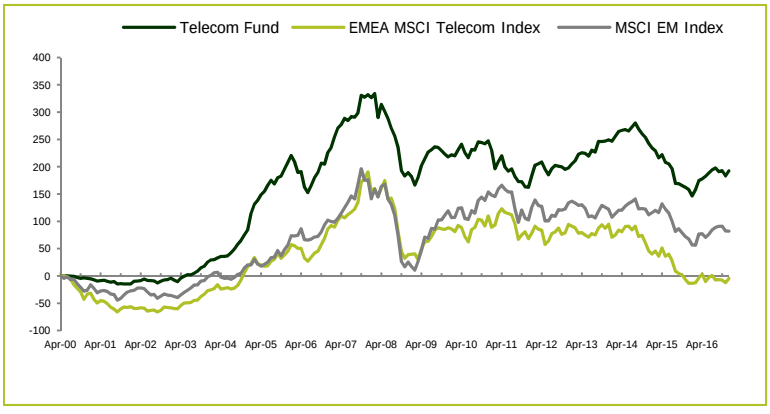
The EFG-Hermes Middle East & Africa Telecom Fund
December 2016

Fund Manager's Strategy & Outlook

The EFG-Hermes Telecom Fund gained 3.2% during the month of December to end 2016 with a 13.2% gain. This compares favorably to 2016 returns of 1% and 10.4% for the Bloomberg Middle East and Africa Telecom Carriers and MSCI EMEA Telecom Services indices, respectively. The broad-based rally that began post Donald Trump's victory in the US elections continued during the month, supported by an OPEC production cut and ongoing expectations for a wave of global "reflation". Regional markets rallied in kind as the OPEC move gave local fiscal budgets breathing room, fueling positive investor sentiment. Not even a rate hike by the US Federal Reserve during the month and the promise of several more during 2017 could derail the market momentum. All our holdings registered gains during the month to cap what has been a decent year.

We go into 2017 with several tailwinds that help shape our constructive views. Within the sectors we invest in, large outlays of capital by most operators during the past 3 years are expected to bear fruit in the form of better Free Cash Flow (FCF) yields and dividends. Better still, a broader geographical mandate is expected to present new opportunities for our long term investors. As mentioned over the past 18 months, we are targeting the broader frontier markets, to move beyond MENA, Africa and Turkey and add new and dynamic markets to our investable universe. Moreover, these new markets provide greater breadth in the form of media and technology opportunities which we feel will be at the forefront of development within our "developing" universe. We expect to begin deployment in this exciting new area sometime during the first quarter of 2017. As always, we appreciate your continued support.



* Line Graph is as of December 2016

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*	3.2%
Year to Date	13.2%
2015	-24.6%
2014	-2.0%
2013	17.3%
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	13.2%
3 year	-16.3%
5 year	11.4%
Since Inception	192.4%

*MTD figures reflect performance between November 30, 2016 and December 31, 2016.

Fund Characteristics

No. of Holdings	6
Wtd. Market Cap	USD 2.3 billion
Dividend Yield*	5.6%
P/E Ratio 16	10.1

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

Fund Metrics*

Beta	0.3
Annualized Standard Deviation	13.2%
Annualized Information Ratio	33.0%

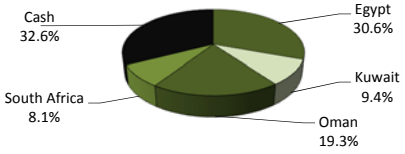
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Global Telecom Holding SAE	Egypt	14.5%
Ooreedo Oman	Oman	12.9%
Mobile Telecommunications Co KSC	Kuwait	6.3%
Telkom SA SOC Ltd	South Africa	5.4%
Telecom Egypt Co	Egypt	4.1%

*Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 25.47
No. of Share Certificates	591,559
Launch Date	April 2000
Management Fee	1.75%
Incentive Fee	15%
Benchmark	10% with a high watermark
Expense Ratio	3.4%
Minimum Subscription	USD 10,000
Subscription / Redemption	Monthly

Fund Identifiers

ISIN	BMG294021073
Bloomberg Ticker	EFGHTEL BH