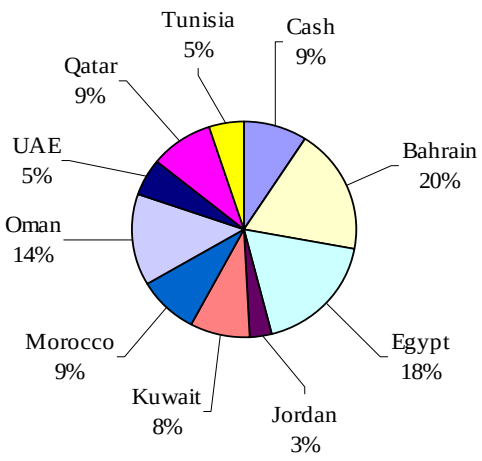
The EFG-Hermes Middle East and Developing Africa Fund Limited

13 November 2003 *Covering October 2003*

During October the NAV of the EFG-Hermes MEDA Fund rose 4.5%, bringing the year to date performance to 28.8%. Since the beginning of 2002. There has been greater divergence in performance across markets in the region during October, with Saudi and Qatar experiencing corrections while Egypt has continued to make steady gains. Trading volumes have tended to come down in the run up to Ramadan. Strong 6 and 9 month earnings announcements have tended to underpin shareprices in the Telecom (eg. **QTel** and **MTC**), Banking (eg. **Alliance Housing Bank** and **BCFC**) and Property (eg. **Emaar**) sectors. We have continued to add to **Burgan Bank** and **Commercial Facilities** in Kuwait. New holding include the leading ceramic tile manufacturer **Al Anwar Ceramics** in Oman, which is consolidating its position in the local market and ramping up production and exports. We have also included **Jordan Phosphate Mines** after a share price correction. Higher global phosphate prices and an internal restructuring have set the platform for an earnings recovery over the next twelve months. We have taken some profits in **CIB** and **Sonasid**. **Vodafone Egypt** has applied for a listing in Cairo, and we have revalued the shares on the basis of a 20% PE discount relative to its counterpart, **Mobinil**. We are not aware of the price that **Vodafone** sold shares to **Telecom Egypt**, but we believe our valuation is conservative. Investors are likely to become more active in the region later in the quarter in expectations of full year earnings and the dividend season early in 2004.

Top 10 Holdings	% Net Assets
Qatar Telecom- Qatar	9.2%
Orascom Construction Industries- Egypt	8.9%
Emaar- UAE	5.5%
Bahrain Commercial Facilities- Bahrain	5.4%
National Bank of Bahrain- Bahrain	5.2%
Sonasid- Morocco	5.0%
Bahrain Telecom- Bahrain	4.7%
Bank Muscat Convertible Bonds- Oman	4.0%
Alliance Housing Bank- Oman	4.0%
Lafarge Ciments- Morocco	3.9%

Asset Allocation by Country



BACKGROUND:

The EFG-Hermes Middle East and Developing Africa Fund Limited is an investment company incorporated in Bermuda for the purpose of providing Shareholders with the opportunity of investing indirectly in the Middle East and Developing Africa.
EFG-Hermes Financial Management (Egypt) Limited (HFM), a wholly owned subsidiary of EFG Hermes Holding Company, is the investment manager. EFG-Hermes (UK) acts as investment advisor to HFM.

ADMINISTRATION, SECRETARY AND REGISTRAR:

MQ Services Limited
Chancery Hall, 52 Reid Street, Hamilton, HM12, Bermuda.
Tel: 1441-295-9294 Fax: 1441-292-8899

SEDOL Code:

0-675-970

Bloomberg Ticker: EFGMEAF BH

THE FOLLOWING MAKE A MARKET IN THE FUND'S SHARES:

UBS Warburg / Mr. David Bliff	Tel: 44-207-568-4587	**REUTERS PAGE:** WDRIFMEA1
Jefferies International Limited / Mr. Norman C. Crighton	Tel: 44-207-618-3620	**REUTERS PAGE:** JEF03
LCF Rothschild Securities/ Ms. Claire Heathfield	Tel: 44-207-845-5960	**REUTERS PAGE:** EDRG
JP Morgan / Mr. Richard Crawford / Simon Ronan	Tel: 44-207-742-8463/8497	**REUTERS PAGE:** RSJA55
ABN-AMRO/ Mr. Andrew Cade	Tel: 44-207-678-5413	**REUTERS PAGE:** ABNFUND15

Shares can be redeemed on a quarterly basis and subscribed for on a monthly basis from June 2000. The subscription price is the last published NAV for the month plus a front-end charge of up to 2%. The redemption price is the last published NAV for the month less a charge of up to 4%. During the life of the fund redemption charges ranged between 0 and 2% and are a function of the liquidity of the portfolio at time of redemption. Redemption requests have to be submitted to MQ Services 14 working days before month end. Subscription requests have to be submitted to MQ Services 7 working days before month end.

FACT FILE:

First launched: August 1999
Fund restructured to MENA Fund in 2002

The company distributed dividends of:
US$ 0.19 per share as of 30 November 2000
US$ 0.21 per share as of 17 December 2002

NAV as of end of October 2003 US$ 8.91

ENQUIRIES:

EFG-Hermes Asset Management

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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 Middle East and Developing Africa 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.