المجموعة المالية هيرميس
EFG HERMES

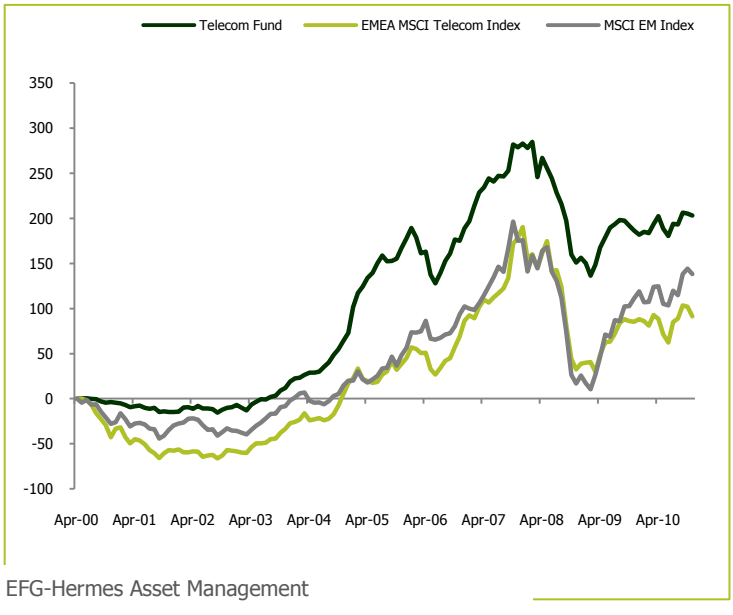
The EFG-Hermes Middle East & Africa Telecom Fund
November 2010

Fund Manager's Strategy & Outlook

The EFG-Hermes Telecom Fund declined by 0.7% during the month of November to bring its YTD return to 7.6%. With the telecom space being relatively defensive, it lagged cyclical names during the period as investors shrugged off fears of a double dip scenario. During the month, returns were adversely affected by holdings in South Africa and Kenya, as concerns over the local currency affected both markets. As we head into the final month of the year, the Investment Manager remains confident that the Fund will register a solid finish to 2010 as new and existing investments are expected to reverse the recent negative trend.

The Fund added a new holding in Oman during this past month. Listed on the Muscat Securities Market in November 2010, Nawras (Omani Qatari Telecommunications Company) is the 2nd largest telecommunications operator in the Omani market and has strong support from Qatar Telecom which owns 55% of the company. Nawras has achieved a 49% subscriber market share in the mobile segment since its launch in 2005 and has recently ventured into the provision of fixed and data services since May 2010, breaking the monopoly of the incumbent, Omantel. As part of their recently acquired fixed license, Nawras received its own international gateway license which allows it to route all its international traffic through its own network rather than leasing it from the incumbent, resulting in significant cost savings and margin expansion. As part of the license conditions, Nawras is obliged to roll out its own national backbone network which will provide further support to its margins by reduced transmission costs. Nawras is on the cusp of significant earnings momentum which places it as an attractive investment opportunity based on strong fundamentals.

With the telecom sector trading at 9.3x 2011 earnings, the Investment Manager remains confident in the sector's value proposition. The Fund Manager will be reshuffling the portfolio during the coming months to incorporate new holdings in new markets in order to take advantage of what is expected to be a strong Q4 for the sector.



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*	-0.7%
YTD	7.6%
2009	9.9%
2008	-33.1%
2007	32.5%
2006	4.0%
2005	60.6%

Returns	Telecom Fund
1 year	5.9%
3 year	-19.9%
5 year	13.7%
Since Inception	203.3%

*Performance figures are reflective of the period from October 28th, 2010 to November 30th, 2010

Fund Characteristics

No. of Holdings	12
Wtd. Market Cap	USD 10.3 billion
Dividend Yield*	3.6%
P/E Ratio 10	10.5x

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

Fund Metrics*

Beta	0.3
Standard Deviation	13.7%
Information Ratio	0.7

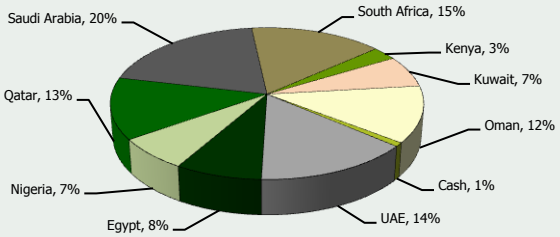
*Calculated vs. MSCI EMEA Telecom Index since Fund inception in April 2000

Top Five Equity Holdings

Holding	Country*	% of NAV
Etihad Etisalat	Saudi Arabia	19.5%
Thuraya Satellite Telecom	UAE	14.3%
Qatar Telecom	Qatar	13.1%
Nawras	Oman	12.5%
MTN	South Africa	10.8%

* Country assigned by primary listing

Allocation by Country



Fund Data

NAV per share	USD 30.33
No. of Share Certificates	720,912
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.