

UNIT-LINKED EQUITY FUND

31 July 2009

Unit Price (NAV) - MUR 1.7700

Investment approach and strategy

The fund's objective is to achieve long-term capital appreciation by investing in a diversified portfolio of local and foreign equities and equity-based securities. The fund suits investors willing to accept a relatively high degree of short-term volatility in the value of their investment compensated for by the expectation of higher return in the long-run. In order to meet investors' expectations, the fund manager will carefully select and actively manage stocks that are believed to possess long-term growth potential. Minimum liquidity requirements will prevent the fund to be fully invested and this proportion may vary depending on prevailing market conditions.

Manager's commentary

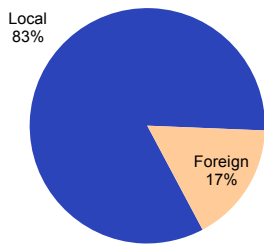
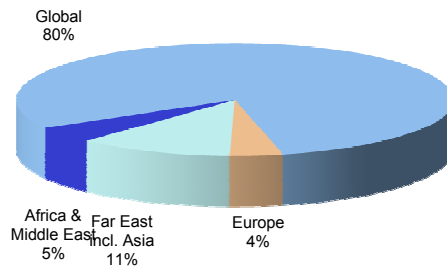
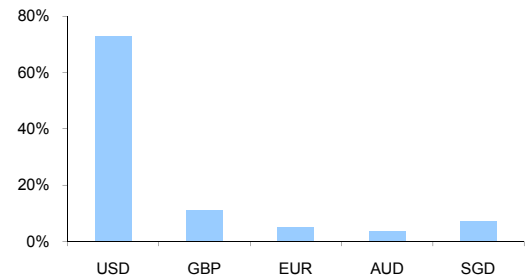
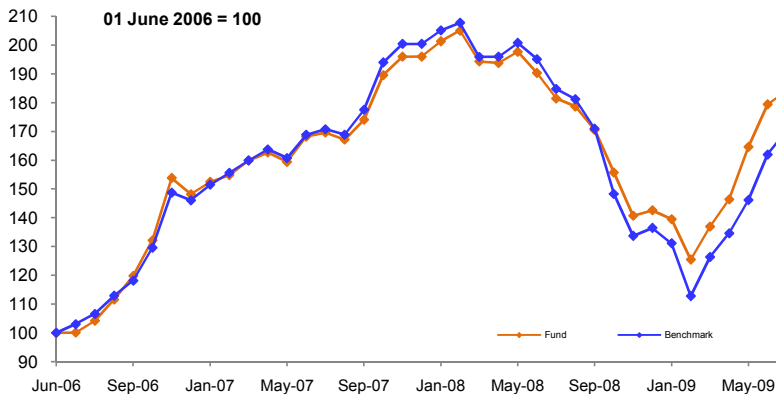
The local financial markets will see the introduction of derivatives in the near future. Specifically, the Stock Exchange of Mauritius will offer futures on the SEM-7 as well as on some blue chip stocks. Furthermore, the Global Board of Trade (GBOT) will soon operate a commodities exchange and also offer currency futures.

July was a positive month for the Mauritian local stock market indices. SEMTRI, SEM-7 and DEMTRI went up by 5.3%, 5.2% and 1.6% respectively. It should also be highlighted that several companies have started to publish their half year results.

Global markets rallied strongly this month, thanks to better than expected economic data and US companies earnings. The MSCI All Country World Index (Net) staged an impressive growth of 8.8% (in USD terms) during July. Many analysts now believe that we might have passed the bottom of the global cycle. The chairman of the US Federal Reserve, Ben Bernanke, has indicated that US interest rates could remain low for some time. It should also be highlighted that Asian economies are currently rebounding stronger than expected. Countries such as South Korea, China, Taiwan and Singapore are all expected to show impressive growth in their GDP (Gross Domestic Product) figures later this year.

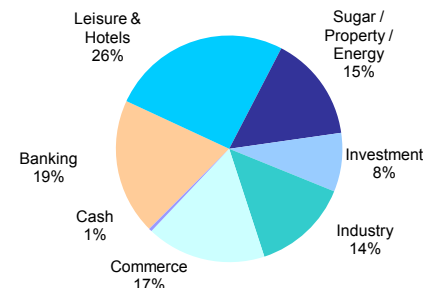
The Mauritian Rupee showed good resilience this month as it appreciated against all the major currencies. Specifically, GBP, USD and EUR fell by 1.4%, 0.9% and 0.7% respectively vis-à-vis our local currency.

On the month, the Equity Fund was up +2.7%, compared to +5.3% for the benchmark. This underperformance can be attributed to the fact that the Equity Fund is well diversified and not overexposed to a few local large capitalization companies. As such, it is likely to be **less volatile** than the benchmark. During July, we continued our active management of the Fund. Certain new local investments have also been identified. Regarding foreign allocation, we have earmarked some country and thematic funds with good growth potential. We are confident that exposure to these investments could potentially enhance return of the Fund in the medium to long term

Geographical Allocation

Geographical Allocation

Foreign Currency Exposure

Performance Analysis
Indexed Performance since launch

Top Holdings

1 Mauritius Commercial Bank	Banking	8.4%
2 State Bank Of Mauritius	Banking	7.8%
3 Omnicane (ex MTMD)	Sugar / Property / Energy	6.7%
4 New Mauritius Hotels	Leisure & Hotels	6.0%
5 Phoenix Beverages	Industry	5.7%
6 Rogers	Commerce	5.7%
7 Innodis	Commerce	5.3%
8 Sun Resorts	Leisure & Hotels	5.2%
9 Automatic Systems Ltd	Leisure	3.6%
10 Naiade Resorts	Leisure & Hotels	3.5%

Cumulative Performance	Since launch					
	1 mth	6 mths	YTD	1 year	2 years	Since launch
Fund	2.74%	32.14%	29.26%	1.56%	8.68%	84.33%
Benchmark	5.27%	30.03%	24.97%	-7.69%	-0.14%	70.53%
Annualised Performance	Since launch					
	1 year	2 years	Since launch			
	Fund	1.56%	4.25%	21.30%		
Benchmark	-7.69%	-0.07%	18.36%			

Sector Allocation (Local)

Other Statistics

Total number of holdings	75
12 Months High / Low NAV	1.7700 / 1.1884

Fund Facts

Launch Date	June 1, 2006	Benchmark	65% SEMTRI, 20% MSCI AC World, 15% DEMTRI	Performance	All information is stated gross of the management fee.
Currency	MUR	Valuation	Monthly		All dividends received are reinvested in the Equity Fund.
Size	MUR 31.9 M	Management Fee	1.5% p.a		

Contact Details

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This fund is only available through our Unit-Linked Plans.