

Investment approach and strategy

The Fund's objective is to achieve long-term growth by investing in a diversified portfolio of local and foreign debt and fixed income securities. The portfolio may also have a small exposure to equity-based instruments which satisfy the yield requirements of the fund. This fund suits investors seeking a relatively high level of capital preservation and smoother fluctuations in the value of their investment, in order to achieve more predictable but lower expected returns than equity instruments. The investment approach will be to primarily hold a variety of highly-rated mortgages and other fixed income securities which have a low risk of interest and capital defaults. Interest rate fluctuations will also be controlled by holding a selection of fixed and floating interest-bearing instruments.

Manager's commentary

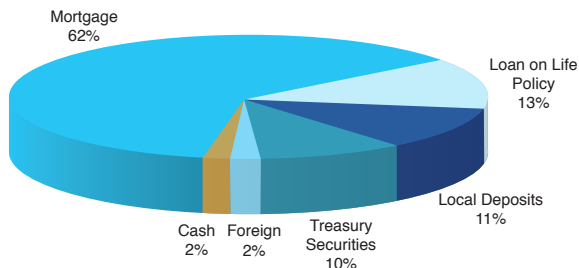
The Monetary Policy Committee (MPC) of the Bank of Mauritius reduced the key Repo Rate by 1% to 6.75 % on 8th December. The MPC noted that the global growth outlook had aggravated and that several international institutions had downgraded their growth forecast for 2009.

At end-December, weighted yields on 91-day, 182-day and 364-day Government of Mauritius Treasury Bills stood at 8.65 %, 8.70% and 8.91 % respectively. The rate of inflation in Mauritius for the twelve months ended 31 December 2008 (source: Central Statistics Office) amounted to 9.7%.

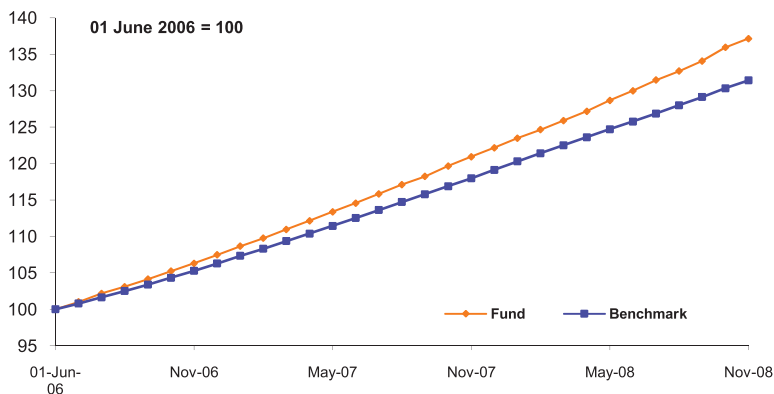
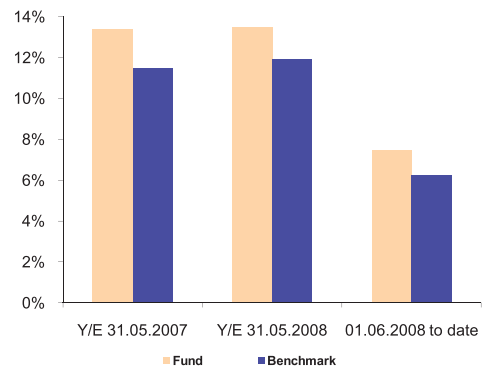
On the international front, several central banks around the world have continued to slash interest rates. US interest rates are presently close to zero.

During December, the Euro, Yen and USD appreciated by 9%, 5.6% and 0.2% respectively against the Mauritian Rupee. The GBP in contrast continued its fall and lost 6.1% vis-à-vis our local currency.

The Secure Fund registered another month of positive performance in December. 2008 proved to be an excellent year for the Secure Fund, both in terms of assets under management (AUM) and performance. The Fund returned 13.2% over the year. This is significantly higher than the benchmark return. Furthermore, the 2008 return of the Secure Fund is **well ahead of the inflation rate and bank savings rate**. Total AUM in addition grew by MUR 20.7M during 2008. The fund management team continues to search for low risk products offering an interesting yield. It should be highlighted that the current environment of falling interest rates (both locally and abroad) could potentially result in lower returns in 2009. Looking forward, we remain confident in our ability to continue creating value for our unitholders in the medium to long term.

Asset Allocation

Monthly Returns

	2006	2007	2008
Jan		1.1%	1.1%
Feb		1.0%	0.9%
Mar		1.1%	1.0%
Apr		1.1%	1.0%
May		1.1%	1.2%
Jun	1.0%	1.1%	1.0%
Jul	1.2%	1.1%	1.1%
Aug	0.9%	1.1%	0.9%
Sep	1.0%	1.0%	1.0%
Oct	1.0%	1.2%	1.4%
Nov	1.0%	1.1%	0.9%
Dec	1.1%	1.0%	0.8%
Year	7.5%	13.7%	13.2%

Performance Analysis
Indexed Performance since inception

Year by Year return Since Inception


Cumulative Performance	1 mth	6 mths	YTD	1 year	2 years	Since inception
	%	%	%	%	%	%
Fund	0.80	6.35	13.16	13.16	28.64	38.24
Benchmark	0.87	5.39	11.26	11.26	24.70	32.54

Annualised Performance	1 year	2 years	Since Inception
	%	%	%
Fund	13.16	13.42	13.35
Benchmark	11.26	11.67	11.52

Sector Weightings

M = Maturity

≤ 5 years	39%
5 years < M ≤ 10 years	17%
10 years < M ≤ 15 years	12%
> 15 years	32%

YTD Return

Fund	13.16%
Savings rate (12 months)	7.28%
SURPLUS RETURN	5.88%

Other Fund's Statistics

12 Months High / Low NAV	1.3355/ 1.2072
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Fund Facts

Inception Date June 1, 2006	Benchmark 60% L-Term loans rate, 20% BOM rate, 20% banks' PLR	Performance All information is stated gross of the management fee. All income received is reinvested in the Secure Fund.
Currency Mauritian Rupees (MUR)	Valuation Monthly	
Size (MUR) 26.7M	Management Fee 1.5% p.a	

Contact Details

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

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