

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

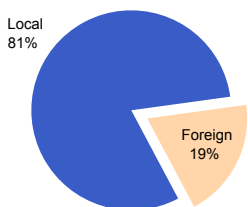
Good news for unitholders this month! On 26<sup>th</sup> March, the Monetary Policy Committee (MPC) of the Bank of Mauritius slashed its key repo rate by 1% to 5.75% per annum. This rate cut, which was largely anticipated, had a positive impact on the local stock market indices. Furthermore, the good financial results published by several listed companies also improved investor sentiment. Overall, SEMTRI, SEM-7 and DEMTRI rose by 15.8%, 19.7% and 3.5% in March.

A similar tendency was witnessed on the international markets, with the MSCI All Country World Index registering an increase of 8.2% in USD terms. The rally was largely caused by bank shares. Investors reacted positively to news that Citigroup had returned to profitability. The announcement by the US Federal Reserve to buy treasury securities also boosted the markets. A plan to remove troubled assets from the US financial system also was well received. It should be mentioned that stocks rose in spite of certain unfavourable news during the month. For instance, the Chicago purchasing managers' index fell in March to its lowest level since July 1980. Standard & Poor's moreover reported that home prices in 20 major U.S. cities had contracted at a record-setting pace of 19% during the year that ended in January.

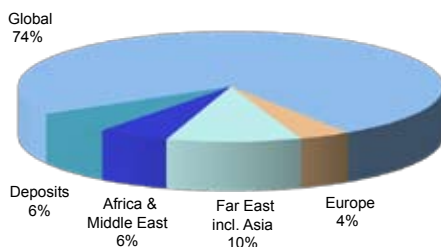
During March, the EUR appreciated by around 2% against our local currency. In contrast, the USD and GBP both moved in the other direction by nearly the same percentage.

The Equity Fund returned **9.2%** this month. The Fund portfolio is presently well diversified with investments in 72 different securities. The Top 10 holdings make up only 55.7% of the portfolio and we also have exposure to numerous defensive stocks. The latter tend to be less volatile than the market and could bring an element of stability to the overall portfolio. We also caution investors that stock prices may remain volatile in the short term and that the March rally in stock market indices could be exceptional. Regarding investment strategy, we continue to scan the markets for interesting investment opportunities which could generate attractive returns in the medium to long term.

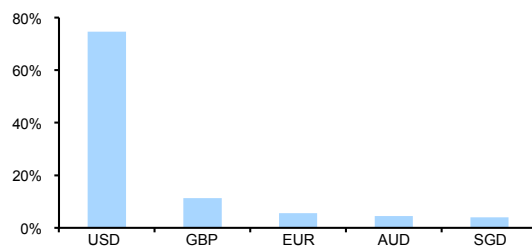
Geographical Allocation



Geographical Allocation

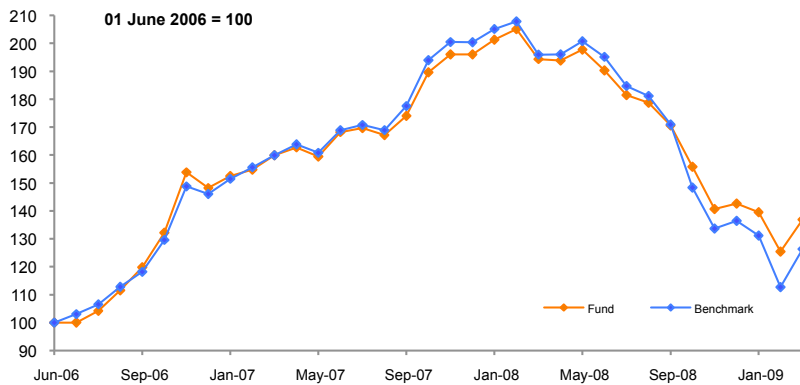


Foreign Currency Exposure



Performance Analysis

Indexed Performance since launch



Cumulative Performance	1 mth	6 mths	YTD	1 year	2 years	Since launch
Fund	9.17%	-19.72%	-3.98%	-29.54%	-14.37%	36.93%
Benchmark	12.05%	-26.10%	-7.43%	-35.54%	-21.03%	26.32%

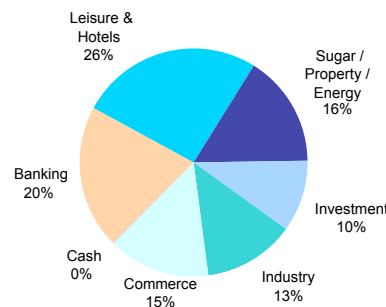
  

Annualised Performance	1 year	2 years	Since launch
Fund	-29.54%	-7.46%	11.73%
Benchmark	-35.54%	-11.14%	8.60%

Top Holdings

1 Mauritius Commercial Bank	Banking	8.6%
2 State Bank Of Mauritius	Banking	8.0%
3 Mon Tresor Mon Desert	Sugar / Property / Energy	6.9%
4 New Mauritius Hotels	Leisure & Hotels	6.3%
5 Automatic Systems Ltd	Leisure	4.9%
6 Permal "Low Volatility Portfolio"	Foreign	4.8%
7 Phoenix Beverages	Industry	4.4%
8 Innodis	Commerce	4.2%
9 Wellington Diversified Inflation Hedge	Foreign	3.9%
10 Sun Resorts	Leisure & Hotels	3.6%

Sector Allocation (Local)



Other Statistics

Total number of holdings	72
12 Months High / Low NAV	1.9290 / 1.1884

Fund Facts

<b>Launch Date</b> June 1, 2006	<b>Benchmark</b> 65% SEMTRI, 20% MSCI AC World, 15% DEMTRI	<b>Performance</b> All information is stated gross of the management fee.
<b>Currency</b> MUR	<b>Valuation</b> Monthly	All dividends received are reinvested in the Equity Fund.
<b>Size</b> MUR 20.8M	<b>Management Fee</b> 1.5% p.a	

Contact Details

The Mauritius Union Assurance Co. Ltd  
 4, Leoville L'Homme Street, Port-Louis  
 Tel: + 230 207 4150 - Fax: + 230 212 4198  
 life\_advice@mauritiusunion.com - www.mauritiusunion.com

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

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