

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

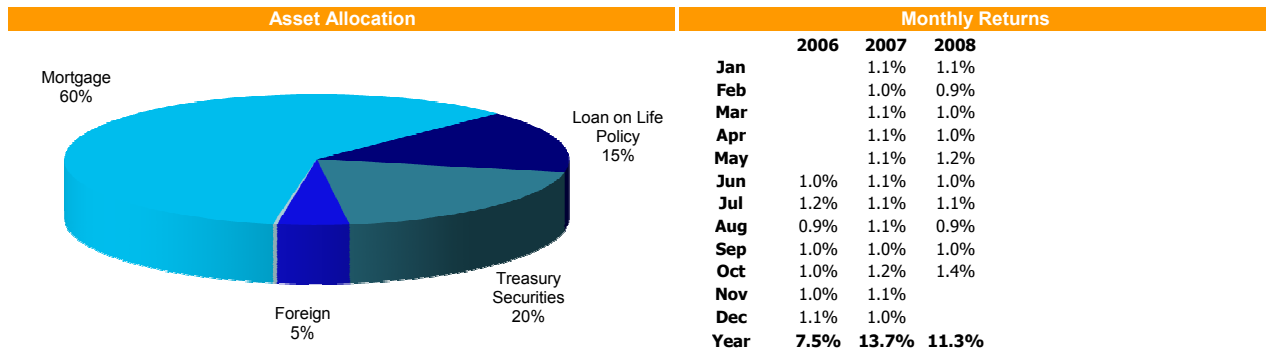
On 31st October, the Monetary Policy Committee (MPC) of the Bank of Mauritius convened a special meeting. The MPC decided to reduce the key Repo Rate by 50 basis points to 7.75% per annum with immediate effect. The minimum Cash Reserve Ratio was also reduced from 6% to 5% with effect from the fortnight starting 7th November 2008.

At end-October, weighted yields on 91-day, 182-day and 364-day Government of Mauritius Treasury Bills stood at 9.23 %, 9.15% and 9.48 % respectively. The rate of inflation in Mauritius for the twelve months ending 31 October 2008 (source: Central Statistics Office) was 9.9%.

On the international front, several central banks also reduced interest rates in an attempt to avoid a severe global recession. The US Federal Reserve cut its key interest rate by 0.5% to 1% on 29th October.

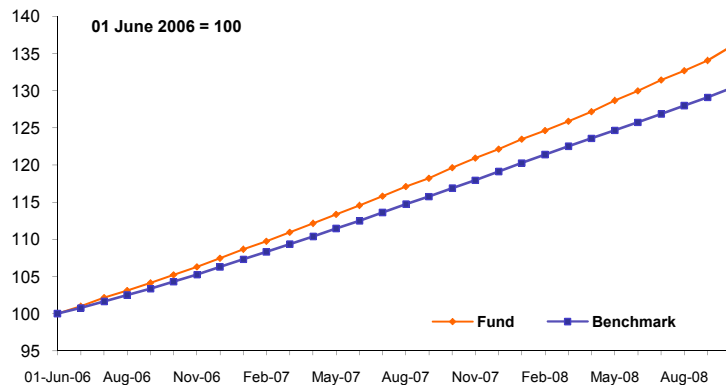
All the major currencies appreciated against the Mauritian Rupee this month. The US Dollar, Pound Sterling and Euro gained 12.5%, 2.5% and 0.9% against our local currency. The Yen was however the biggest mover with a monthly appreciation of nearly 20%.

Interest in the Secure Fund has increased further this month and this has caused the total assets under management to grow significantly. Fund size is presently Rs 13.2m. The Secure Fund maintained its good performance in October. The Fund has generated a YTD return of 11.3% and this exceeds the Savings Rate (pro-rata) by nearly 5.1%. During October, we invested a portion of the portfolio into a new asset class 'Loan on Life Policy'. These loans are relatively low risk and interest receivable is at a highly attractive fixed rate. This should further diversify the Secure Fund and potentially enhance its returns over time.

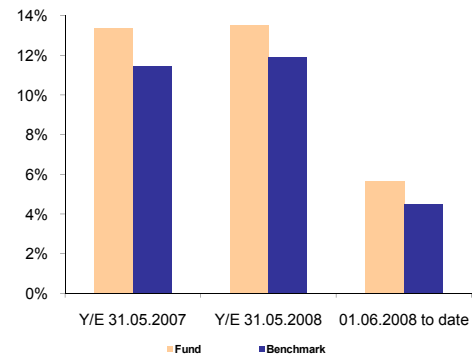


Performance Analysis

Indexed Performance since inception



Year by Year return Since Inception



Cumulative Performance	1 mth	6 mths	YTD	1 year	2 years	Since inception
	%	%	%	%	%	%
Fund	1.40	6.89	11.29	13.60	29.19	35.95
Benchmark	0.92	5.43	9.40	11.49	24.92	30.33

Annualised Performance	1 year	2 years	Since Inception
	%	%	%
Fund	13.60	13.66	13.55
Benchmark	11.49	11.77	11.58

Sector Weightings

M = Maturity

≤ 5 years	37%
5 years < M ≤ 10 years	39%
10 years < M ≤ 15 years	10%
> 15 years	14%

YTD Return

Fund	11.29%
Savings rate (10 months)	6.23%
SURPLUS RETURN	5.06%

Other Fund's Statistics

12 Months High / Low NAV	1.3168 / 1.1847
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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)	13.2M	Management Fee	1.5% p.a		

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