

UNIT-LINKED EQUITY FUND



30 September 2009

Unit Price (NAV) - MUR 1.9470

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

September was a positive month for the local equity markets. SEMTRI, SEM-7 and DEMTRI recorded gains of 11.5%, 11.7% and 3.2% respectively. We note that the month under review was marked by the publication of financial statements as well as several dividends being declared.

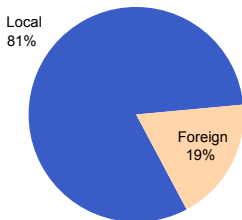
The Monetary Policy Committee (MPC) of the Bank of Mauritius met on 22nd September. It was decided to leave the key Repo Rate unchanged at 5.75%. The next MPC meeting will be held on 10th December.

The global equity markets maintained their upward trend on the back of growing optimism and high levels of liquidity. The MSCI All Country World Index (Net) increased by 4.6% (in USD terms). Central Banks in the US and UK both opted to leave interest rates unchanged. The International Monetary Fund (IMF) also indicated that banks worldwide still have to disclose the extent of their likely losses arising from the financial crisis and economic downturn. The IMF lowered its estimate of total losses, given an improved economic outlook and better confidence in the financial markets. However, it warned that the global recovery was still not guaranteed. It should also be highlighted that the US consumer confidence index declined in September.

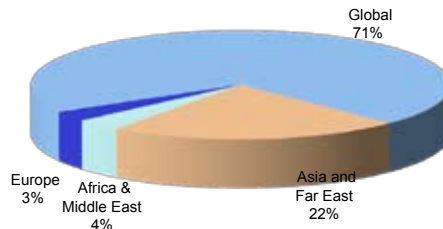
The Mauritian Rupee appreciated against the major currencies during September. Monthly appreciation was as follows: GBP (4.6%), USD (3.2%) and EUR (1.1%).

During September, the Equity Fund recorded a performance of 8.25%, compared to 8.19% for the benchmark. We took advantage of the local price rally and engaged in significant profit taking. We continue to diversify the fund and we will use a tactical asset allocation approach whenever necessary in order to derive surplus returns. Going forward, we believe that returns of local companies will be driven more by earnings growth rather than by a further expansion in valuations. We continue to scan the markets for interesting investment opportunities which could generate attractive returns in the medium to long term.

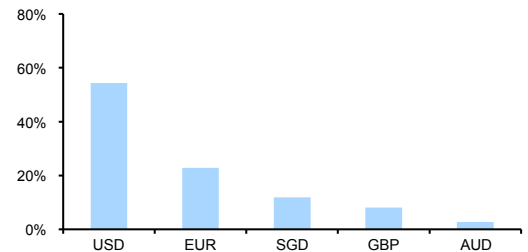
Geographical Allocation



Geographical Allocation

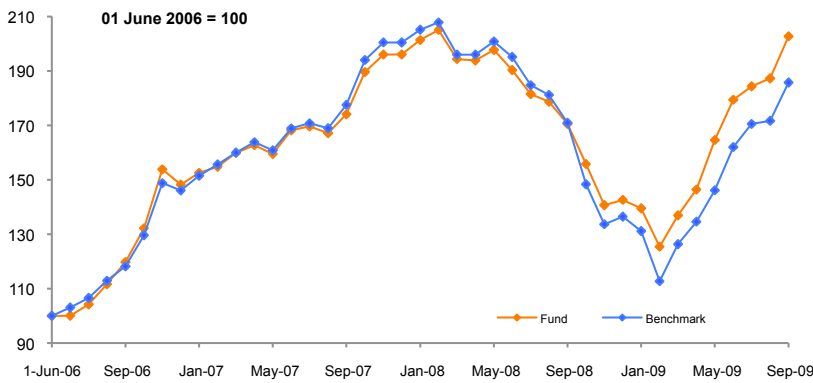


Foreign Currency Exposure



Performance Analysis

Indexed Performance since launch



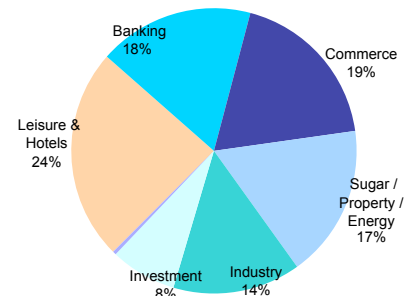
| Cumulative Performance | 1 mth | 6 mths | YTD | 1 year | 2 years | Since launch |
|------------------------|-------|--------|--------|--------|---------|--------------|
| Fund | 8.25% | 48.04% | 42.14% | 18.85% | 16.46% | 102.71% |
| Benchmark | 8.19% | 47.04% | 36.12% | 8.66% | 4.62% | 85.74% |

| Annualised Performance | 1 year | 2 years | Since launch |
|------------------------|--------|---------|--------------|
| Fund | 18.85% | 7.92% | 23.61% |
| Benchmark | 8.66% | 2.29% | 20.41% |

Top Holdings

| | | |
|--------------------------------------|---------------------------|------|
| 1 Mauritius Commercial Bank | Banking | 7.3% |
| 2 State Bank Of Mauritius | Banking | 7.1% |
| 3 Omnicane (ex MTMD) | Sugar / Property / Energy | 6.1% |
| 4 Innodis | Commerce | 5.9% |
| 5 Sun Resorts | Leisure & Hotels | 5.8% |
| 6 New Mauritius Hotels | Leisure & Hotels | 5.8% |
| 7 Rogers | Commerce | 5.4% |
| 8 Phoenix Beverages | Industry | 5.3% |
| 9 Automatic Systems Ltd | Leisure | 3.5% |
| 10 Permal "Low Volatility Portfolio" | Foreign | 2.7% |

Sector Allocation (Local)



Other Statistics

| | |
|--------------------------|-----------------|
| Total number of holdings | 81 |
| 12 Months High / Low NAV | 1.9470 / 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. All dividends received are reinvested in the Equity Fund. |
| Currency MUR | Valuation Monthly | |
| Size MUR 38.9 M | Management Fee 1.5% p.a | |

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

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