

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.

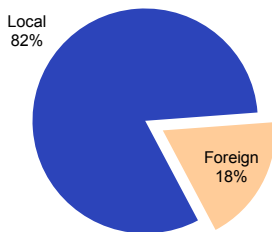
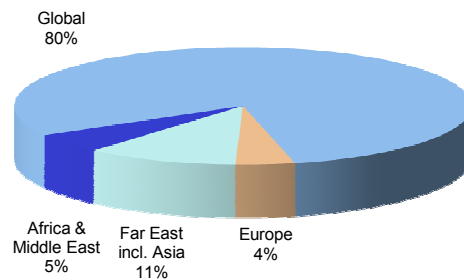
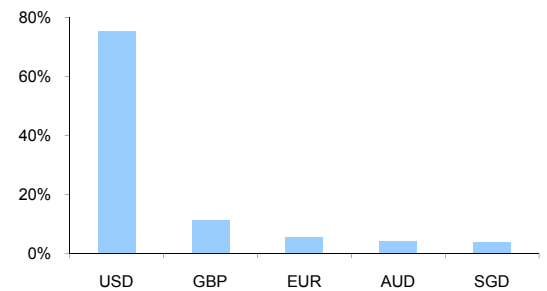
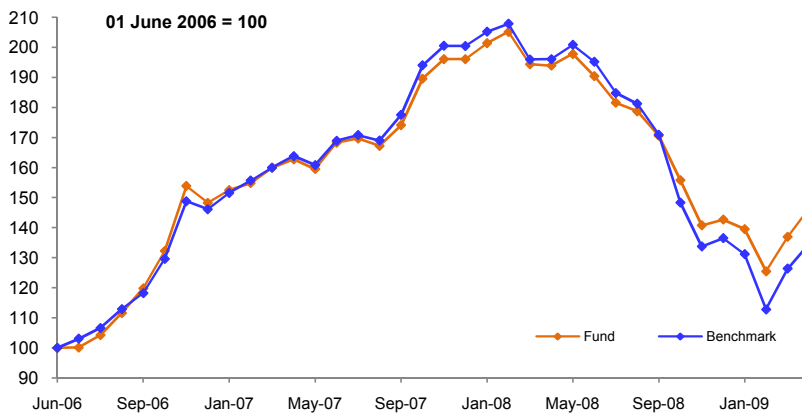
Manager's commentary

April proved to be another positive month for unitholders. The local stockmarket indices all moved upwards, with SEMTRI, SEM-7 and DEMTRI gaining 5.7%, 4.7% and 2% respectively. At month-end, the Official Market had a trailing P/E ratio of 5.9 and a trailing dividend yield of 5.2%. The latter is actually higher than the bank savings rate and could to some extent explain the renewed interest by investors in equity investments. Two important dates should be highlighted in the local context: 22nd May (*Budget presentation*) and 22nd June (*next Monetary Policy Committee meeting*).

The MSCI All Country World Index maintained its positive tone and increased by a massive 11.8% (in USD terms) during April. Investors focused on several positive events: the announcement of a G20 spending plan, reference to 'green shoots' arising from a possible economic recovery, better than expected consumer spending and release of some good corporate results in the US. Equities moreover exhibited resilience despite worries of the potential adverse economic impact arising from a swine flu pandemic. Many investors now believe that the recession which began in December 2007 could possibly be bottoming.

The major currencies all appreciated against the Mauritian Rupee this month. GBP, EUR and USD gained 4.3%, 1.2% and 0.8% respectively.

The Equity Fund registered an increase of 6.9% in April. Monthly performance exceeded the benchmark by nearly 0.36%. The assets under management (AUM) continued to increase with total AUM amounting to Rs 23.7m at month-end. Our active investment strategy has started to pay off with many of our stock holdings recently acquired now showing important price increases. During the month, we diversified our foreign holdings and invested in a convertible bond fund. The recent equity price rally should bode well for the Equity Fund. We continue to look for undervalued investments that could outperform over the long term and hence enhance the Fund returns.

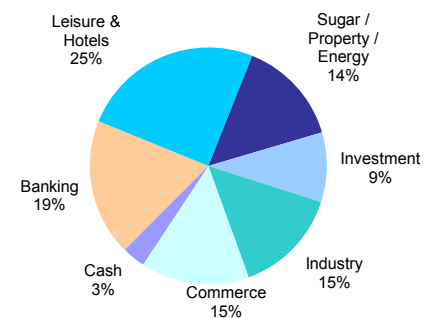
Geographical Allocation

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	6.92%	-6.02%	2.66%	-24.47%	-10.03%
Benchmark	6.56%	-9.26%	-1.35%	-31.33%	-17.82%	34.61%

Annualised Performance	1 year	2 years	Since launch
	Fund	-24.47%	-5.15%
Benchmark	-31.33%	-9.35%	10.73%

Top Holdings

1 Mauritius Commercial Bank	Banking	7.9%
2 State Bank Of Mauritius	Banking	7.6%
3 Mon Tresor Mon Desert	Sugar / Property / Energy	6.2%
4 New Mauritius Hotels	Leisure & Hotels	6.1%
5 Phoenix Beverages	Industry	5.4%
6 Innodis	Commerce	4.5%
7 Automatic Systems Ltd	Leisure	4.5%
8 Permal "Low Volatility Portfolio"	Foreign	4.3%
9 Rogers	Commerce	4.2%
10 Wellington Diversified Inflation Hedge	Foreign	3.8%

Sector Allocation (Local)

Other Statistics

Total number of holdings	74
12 Months High / Low NAV	1.9290 / 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 23.7M	Management Fee 1.5% p.a	

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

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