

Investment Objective and Strategy

The fund's objective is to achieve long-term capital appreciation and generate regular income by investing in a diversified portfolio of local and foreign equities, highly rated debt and other fixed income securities. Debt and fixed income securities selection will be based on low risk of interest and capital defaults, and equities will include both high yield and growth stocks. The fund suits investors willing to accept some degree of short-term volatility in the value of their investment. Such risk will however be lower than in pure equity funds, due to the fixed income component. In order to meet investors' expectations, the fund manager will carefully select and actively manage the portfolio such as to outperform long-term investment trends.

Fund Manager's Comment

The local stock market was characterized by corrective pressures during the month, partly driven by profit-taking, and also by actions of the Central Bank to curb excess liquidity. The local indices SEMTRI and DEMTRI gained a mere 0.2% and 0.1% respectively, while the SEM-7 fell by 1.1%.

Global markets saw increasing volatility during February amid unrest in the Middle-East and Africa, which raised fears over the supply of oil. Yet, the MSCI All Country World Index registered an increase of 2.9% in USD terms. Investor sentiments were positive following favorable reports released in the US, which showed increasing payrolls, retail sales, and an unexpected fall in the unemployment rate to 8.9%.

The GBP appreciated by 0.6% against the Mauritian Rupee during the month under review. The Euro remained range bound while the US Dollar fell by 0.9% against our local currency.

At end-February, weighted yields on 182-day and 364-day Government of Mauritius Treasury Bills amounted to 1.83% and 3.14% respectively. We note that they have all again declined significantly when compared to the previous month, and that the 91-day T-Bills have not been issued for two consecutive weeks, in an attempt to reduce excess liquidity. Moreover, the Bank of Mauritius raised the cash reserve ratio of banks from 6% to 7%, and this caused some downward pressure on the price of banking stocks during the month.

The NMF General Fund, which is a balanced fund, returned 0.9% on a year-to-date basis, in line with the benchmark. The Fund is presently well diversified with investments in 87 different securities. During the month, the Fund Manager further diversified the portfolio by increasing exposure to fixed income instruments with attractive yields, and to certain commodity funds which are usually uncorrelated with equity markets. We are pleased to report that NMF General Fund registered appreciable new inflows of funds during February. We also caution investors that stock prices may remain volatile in the short term. We will nonetheless seek to take advantage of this via our active management strategy.

Key Facts

Fund Type:
Balanced

Fund Launch Date:
30th June 1990

Fund Size:
Rs. 594.0 m

Prices:
Issue *: Rs 54.09
Repurchase: Rs. 53.55
NAV: Rs 54.09

Minimum Investment:
Lump Sum: Rs 5,000
Regular Savings: Rs 500

Dividend Declaration:
Interim: December / Final: June

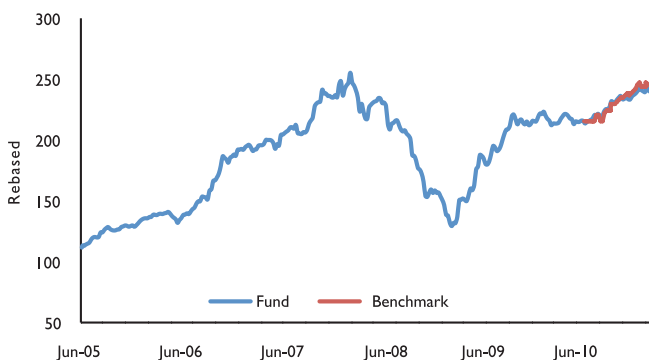
Pricing /Valuation Frequency:
Weekly (Wednesday)

Fee Structure:
Entry Fee: Nil
Exit Fee: 1%
Annual Management Fee: 1.25%

Number of holdings: 87

**2011 Interim Dividend/Unit
Rs 0.567**

Performance Since 30 June 2005



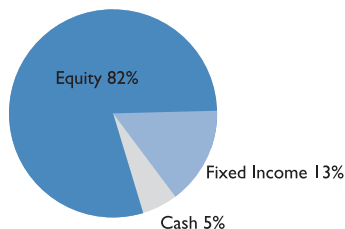
Fund Performance

	Fund Annualised Return	Fund Cumulative Return	*Benchmark Cumulative return
1 mth	n/a	-0.3 %	-0.3 %
6 mths	n/a	9.0 %	10.5 %
YTD	n/a	0.9 %	1.0 %
1 year	12.9 %	12.9 %	n/a
3 years	-1.1 %	-3.3 %	n/a
5 years	12.0 %	76.2 %	n/a

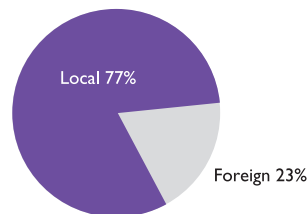
*Composite Benchmark: 50% SEMTRI, 10% DEMTRI, 10% MSCI World, 10% Local Bank Savings rate and 20% USD 3-months LIBOR.

All performance information is stated on a NAV-to-NAV basis. As from 01 January 2010, performances also include dividends declared by the fund.

Asset Allocation



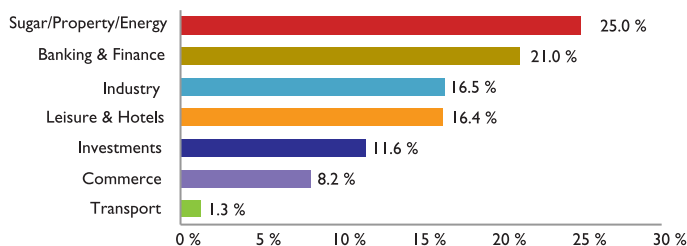
Geographical Allocation



Last 5 Financial Years Annual Returns

	Returns (%)	Dividend/unit (Rs.)
30.06.09 to 30.06.10	17%	1.76
30.06.08 to 30.06.09	-19%	0.77
30.06.07 to 30.06.08	11%	0.65
30.06.06 to 30.06.07	51%	0.76
30.06.05 to 30.06.06	21%	0.61

Local Sector Equity Allocation



Top 5 Holdings

1 Mauritius Commercial Bank	Banking	7.6 %
2 Sun Resorts	Hotels	5.4 %
3 Harel Frères	Sugar & Property	5.2 %
4 LIM Asia Arbitrage Fund	Foreign Equity	5.0 %
5 ENL Land	Sugar & Property	4.9 %

Contact Details

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