

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 major stock markets all started the year on a positive note. The local indices SEMTRI, SEM-7 and DEMTRI gained 2.9%, 3.8% and 1.4% respectively. As can be seen, the SEM-7 outperformed during January, thereby highlighting renewed interest in large capitalization companies.

A similar tendency was witnessed on the international markets, with the MSCI All Country World Index registering an increase of 1.6% in USD terms. Annualized US GDP growth came close to 3.2% in the last quarter of 2010, compared to 2.6% in the previous three months. US home sales also exceeded expectations of analysts. Global food prices have however reached record levels.

The GBP appreciated by 0.5% against the Mauritian Rupee during the month under review. The Euro remained range bound while the US Dollar fell by 2.2% against our local currency.

At end-January, weighted yields on 91-day, 182-day and 364-day Government of Mauritius Treasury Bills amounted to 1.92%, 2.32% and 3.30% respectively. We note that they have all again declined significantly when compared to the previous month.

The NMF General Fund, which is a balanced one, returned 1.2% during the month, in line with the benchmark. The Fund is presently well diversified with investments in 82 different securities. The Top 10 equity holdings made up only 44.4% of the portfolio. The Fund Manager will diversify the portfolio further by increasing exposure to certain alternative investments as well as fixed income opportunities with attractive yield. 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. 586.9 m

Prices:
Issue *: Rs 54.07
Repurchase: Rs. 53.53
NAV: Rs 54.07

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

Dividend Declaration:
Interim: December / Final: June

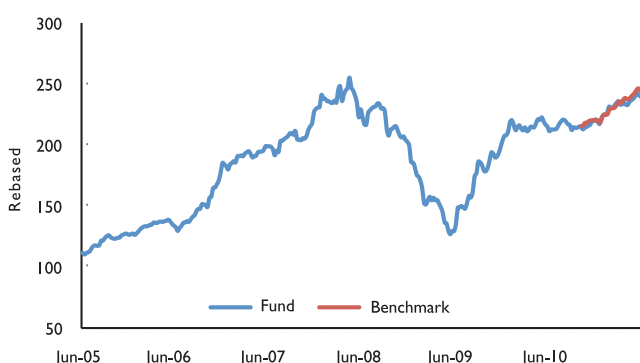
Pricing /Valuation Frequency:
Weekly (Wednesday)

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

Number of holdings: 83

**2011 Interim Dividend/Unit
Rs 0.569**

Performance Since 30 June 2005



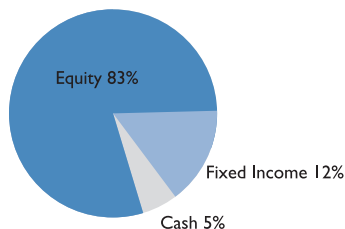
Fund Performance

	Fund Annualised Return	Fund Cumulative Return	*Benchmark Cumulative return
1 mth	n/a	1.2 %	1.3 %
6 mths	n/a	10.4 %	10.7 %
YTD	n/a	1.2 %	1.3 %
1 year	7.6 %	7.6 %	n/a
3 years	-0.3 %	-0.8 %	n/a
5 years	12.4 %	79.5 %	n/a

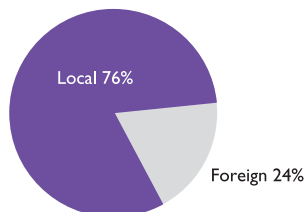
*Composite Benchmark: 50% SEMTRI, 10% DEMTRI, 10% MSCI World, 10% Local Bank Savings rate and 20% USD 3-months LIBOR.

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



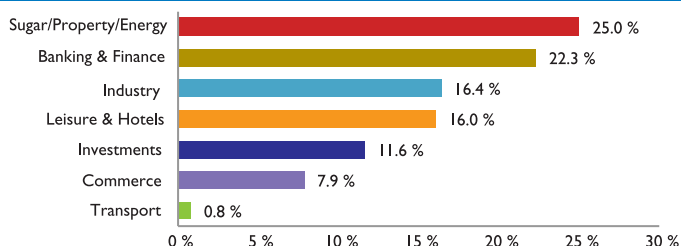
Geographical Allocation



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	8.0 %
2 Sun Resorts	Hotels	5.3 %
3 State Bank of Mauritius	Banking	5.2 %
4 Harel Frères	Sugar & Property	5.1 %
5 LIM Asia Arbitrage Fund	Foreign Equity	5.1 %

Contact Details

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