

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

May has proved to be a highly volatile month for both local and foreign financial markets. Some reasons that can explain this tendency include the falling Euro, lower profits reported by several local listed companies, uncertainties over the outcome of elections in the UK, as well as concerns over the Greek debt crisis.

The local Total Return Index, SEMTRI, has consequently registered a Year-To-Date (YTD) return of -1.3%. NMF General Fund, in contrast, proved less volatile and it has managed to outperform the SEMTRI. It returned +0.8% over the period 1st January to 19th May 2010. This better performance can be attributed to its diversified exposure to various asset classes as well as the active investment strategy adopted by the fund management team. During May, several local investee companies declared dividends and this should bode well for the fund in the coming months.

Exposure to fixed income securities was further increased during the month. This will provide some level of protection in down markets. The fund manager moreover successfully engaged in profit-taking of several equities. We remind our unitholders that the present volatility in the financial markets should provide us with some interesting buying opportunities. History has demonstrated that significant declines in markets are often followed by large upswings. Investors with a medium to long term view are likely to benefit from this scenario.

Key Facts

Fund Type:
Balanced

Fund Launch Date:
30th June 1990

Fund Size:
Rs. 542.8 m

Prices:
Issue *: Rs 50.13
Repurchase: Rs. 49.63
NAV: Rs 50.13

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

Dividend Declaration:
Interim: December / Final: June

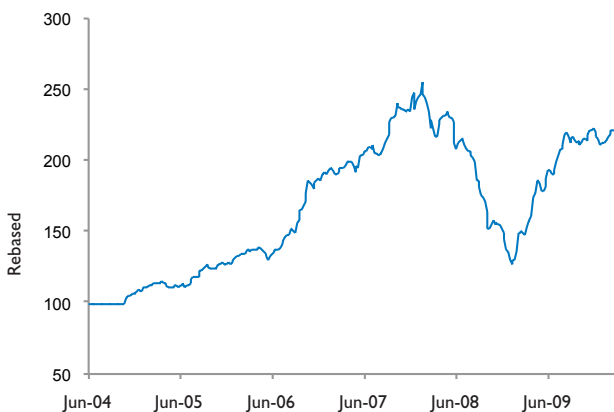
Pricing /Valuation Frequency:
Weekly (Wednesday)

Fee Structure:
Initial Service Charge *: 1%
Exit Fee: 1%
Annual Management Fee: 1.25%

Number of holdings: 76

*** Initial Service Charge is nil until 31 December 2010.**

Performance Since 30 June 2004

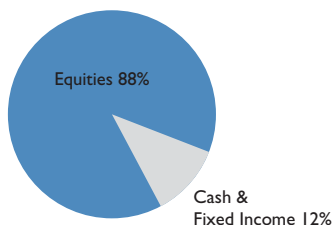


Fund Performance

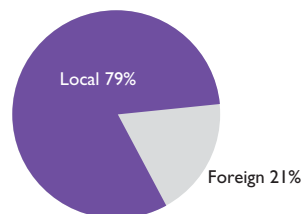
	Cumulative Return	Annualised Return
1 mth	-1.9 %	n/a
6 mths	0.1 %	n/a
YTD	0.8 %	n/a
1 year	37.2 %	37.2 %
3 years	8.9 %	2.9 %
5 years	93.6 %	14.1 %

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



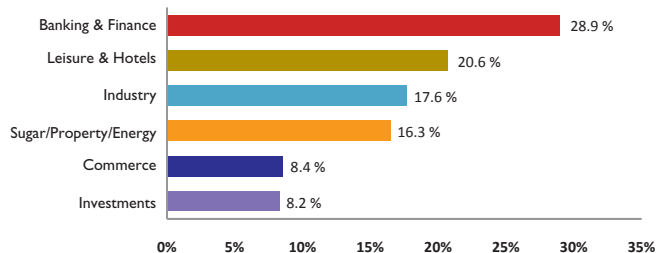
Geographical Allocation



Last 5 Financial Years Annual Returns

	Returns (%)	Dividend/unit (Rs.)
30.06.08 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
30.06.04 to 30.06.05	12%	0.89

Local Sector Equity Allocation



Top 5 Holdings

1 Mauritius Commercial Bank	Banking	8.6 %
2 State Bank of Mauritius	Banking	7.2 %
3 United Basalt Products	Industry	7.1 %
4 Sun Resorts Ltd	Hotels	6.7 %
5 New Mauritius Hotels	Hotels	5.6 %

Contact Details

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