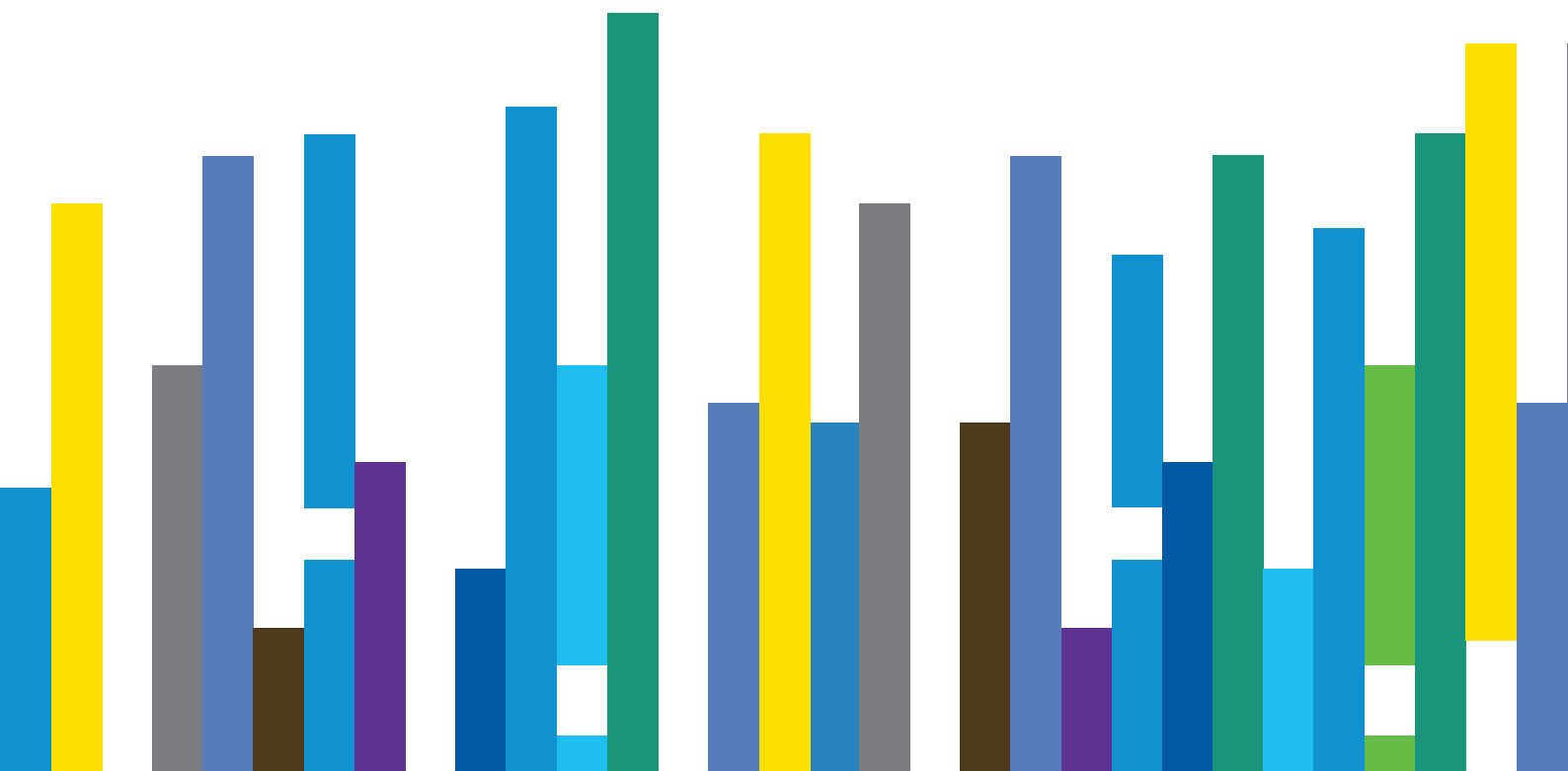




CFA Institute

ANNUAL REPORT 2012



LEAD

THE

DEVELOPMENT

OF

THE

INVESTMENT

PROFESSION

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INTRODUCTION AND PRESIDENT'S REPORT

Welcome to our Annual Report. It's been a productive and rewarding final year of our three year term for the current Managing Committee. A few of us will be stepping down, but will still be heavily involved. We are setting up a Past Presidents advisory board. Both James Leung and myself will be the first to serve on that. The purpose of the board is to make room and allow new and fresh faces to serve on the Managing Committee while still keeping former committee members engaged on high level policy and industry relations. Also, there really is so much work to do that the more hands the better. Welcome to the new team!

So as I transition into a Past President, let me say thank you for all your support. First to my fellow MC members who have done a lot of great work this year. We are all volunteers and without their efforts, we cannot possibly put together all of our programs of the past few years. To our long standing members and growing number of new ones, your participation and support is wonderful to see. We have also had generous financial support not only from CFA Institute but also from our Corporate Patrons these past few years and our financial position today is better than ever in large part from their support of our mission. And of course, we have endeavoured to lead the development of the investment profession by forming excellent working relations with the FSC, SEM and MIOD and hosting many events with those groups. It has been a pleasure to work with them.

ACTIVITY REPORT

Full details of these events are in our past news letters and web pages. A survey of them shows that indeed Mauritius is becoming a deeply relevant and vibrant international financial centre.

One of our major achievements over the year has been to position and align the CFA brand more closely and let the international investment community know the ethics and values of CFA Institute are well entrenched here. We were delighted to receive Prime Minister Office support to change our name to CFA Society Mauritius and our short name is now CFASM. We kicked off this change with a rebranding campaign. On 29th May, in the presence of the FSC and SEM, we celebrated the 50th anniversary celebration of CFA Institute as we opened the local trading session with a bell ringing ceremony. The event took place globally with some 22 exchanges such as the NYSE, London Stock Exchange, Euronext in France, Hong Kong and Singapore.

INTRODUCTION AND PRESIDENT'S REPORT

(Continued)

And speaking of ethics, we conducted a well attended Workshop on Ethics in collaboration with Mauritius Institute of Directors and fellow colleague, Terence Berry, of CFA South Africa. South Africa has an outstanding number of professionals working in the field of ethics and governance.

CFA South Africa was also a key partner with us in the first ever CFA Institute African Traveling Investment Conference in October 2011. With significant support from CFA Institute EMEA regional office we brought in four outstanding speakers on Africa. The Chief Executives of FSC and SEM also highlighted how Mauritius is a leading financial centre for Africa.

Supporting youth in financial literacy remained key as marked by the CFASM SEM Young Investors Award. We award this to a leading school each year for best prepared research report.

In association with the Competition Commission, we presented on the subject of free and competitive markets during their inaugural Competition week of activities.

Charter Ceremony and End of year event. Every year we celebrate success of new charter holders with a gala networking event. Charter holders last year were Rajeev Lalsing and Sharona Rambocus and Arthur Thompson PCR for EMEA East handed to them their

charters. To honour them we had Dr Rama Sithanen, former Minister of Finance, Mr Sanjiv Bhasin, CEO of DBS Bank India and Mr Maurice Lam, Chairman of Board of Investments deliver key note presentations.

Education. We award 10 CFA scholarships each year to dedicated young professionals in need of financial assistance. These are hotly contested for by exam candidates to provide substantial financial relief for their studies. We also take the development of our Management Committee members very seriously. We sent two to three members to each of CFA Leadership conferences in Dublin, Los Angeles and Chicago this year.

The functioning of stock markets around the world remains of concern to regulators, professionals and investors alike. CFASM brought Dr Giorgio Valente to Mauritius to speak on the roles of high frequency trading to market integrity. This attracted a wide range of professionals.

CFA Growth Funding . CFASM applied for and obtained USD40,000 of funding this year to support a major media awareness campaign and industry and employer outreach program. Leading Mauritius firm ProaktivPR has been retained to drive this effort and CFASM articles have been published in all leading newspapers, magazines and social media spaces as a result.

THE MANAGEMENT COMMITTEE OFFICE-BEARERS 2011-2012



James Benoit, CFA President

James was a co-founder of SFAM in 1999 prior to SFAM becoming a full society in 2002 under the leadership of Sanjay Jagatsingh. He serves in the role of President in 2009. He is a CFA Charterholder since 1996 and has been a member of CFA Institute societies in Hong Kong and the Philippines as well.

James is CEO and Executive Director of AfrAsia Bank Limited. He was previously an international management executive for 20 years with HSBC Group internationally.



Imrith Ramtohol, FCCA, CFA Vice-President

Imrith joined the Society in 2006. He was appointed as Vice-President in 2009 and also acts as Events Chair. Imrith holds the Chartered Financial Analyst designation. He is moreover a Fellow Member of the Association of Chartered Certified Accountants and holds a Bachelor of Business Science (Honours) degree from the University of Cape Town. Imrith

is actually Senior Investment Consultant at Aon Hewitt Ltd. Previously, he was Senior Investment Manager at Mauritius Union. He serves on the board of Innodis Ltd. Imrith has more than 13 years experience in the financial services sector.



James Leung Yin Kow, CFA Secretary

James was a founding member of SFAM in 1999 and subsequently treasurer. He was President of SFAM in 2007, held other positions within the society and is currently secretary. He has volunteered at CFA Institute: Standards Setting (Education), Hearing Pool Panel and Grader (Examinations).

James is a CFA Charterholder since 2000. He has a Honours Bachelor of Commerce (Gold Medal with A average summa cum laude) from McMaster University, Canada in 1993 as well as a Master of Arts in Economics from York University, Canada in 1994. He was a member of a task team subcommittee for the first Report on Corporate Governance in Mauritius in 2003. He was a stockbroker at Newton Securities from 1995 to 1998 before working for 13 years (1998-2011) as Fund Manager at MCBIM, the investment management subsidiary of MCB.

THE MANAGEMENT COMMITTEE OFFICE-BEARERS 2011-2012



Ashwin Prayag, CFA Assistant Secretary

Ashwin is serving SFAM since October 2011. He is additionally the Assistant to the Advocacy and Education Chair. Ashwin is also a member of CFA South Africa.

Ashwin is a CFA Charterholder since 2007, having previously graduated from the University of Cape Town, South Africa, with a Bachelor of Business Science (Honours) in Finance degree and a Master of Business Science (Finance) degree. Since 2003, he has gained experience in the investment industry, and as an academic, both in Mauritius and in South Africa. Ashwin is currently the Investment Analyst at the State Insurance Company of Mauritius Ltd.



Deepa Jhamma, CFA Treasurer

Deepa joined SFAM in 2006 and acted as Secretary for two consecutive years prior to taking up the position of Treasurer in 2008.

Deepa graduated with a Bachelor of Commerce (Economics & Finance) from the University of Melbourne in 2000, and qualified as a CFA Charterholder in 2004. She held several managerial positions at Ernst & Young Mauritius & PricewaterhouseCoopers Ltd, and is currently a Senior Manager at PricewaterhouseCoopers Ltd.



Randhir Mannick, CFA Assistant Treasurer, and Education, Scholarship and Advocacy Chair

Randhir has been a member of SFAM since the launch of the society. He has occupied different posts in the past including President, Treasurer and Secretary and is presently the Education, Scholarship and Advocacy Chairs. He holds the Chartered Financial Analyst designation, a Master of Business Administration and a degree in Economics. He has more than fifteen years of experience in the investment industry. He has been joined Pivot Ltd in October 2011, the Investment administration arm of African Alliance, and currently hold the post of Chief Operations Officer. He has more than fifteen years of experience in the investment industry. Previously, he was employed at Rogers & Co Ltd and the State Investment Corporation Ltd and has served as director in several companies.

THE MANAGEMENT COMMITTEE OFFICE-BEARERS 2011-2012



Sharona Rambocus, CFA Membership Chair

Sharona has been serving on the management committee since October 2011.

Sharona graduated with a Master's degree in International Financial Analysis at Ecole Supérieure des Affaires, Lille 2 University in 2007 and qualified as a CFA charterholder in 2011.

Sharona has previously worked in the Deals department of PricewaterhouseCoopers Mauritius and is currently a portfolio manager at Investment Professionals Ltd whose assets under management exceed MUR 12 billion.



Prem Beejan, IT Chair

Prem has a long successful career as a professional for the past 30 years. He was the General Manager of Bramer Asset Management Ltd from September 2007 to December 2008. Prior to joining Bramer, he was Group Business Development Manager at The State Investment Corporation, Executive Director at Capital Asset Management Ltd which manages

Port Louis Fund and SME Partnership Fund. Prem played an instrumental role in setting up and management of the Port Louis Fund since 1997. He was also the CEO of SICMS, the company responsible for the management of six casinos on the island. He also lectures (part time) on Finance at graduate level at the University of Mauritius.

Prem holds a B.A. Hons with Distinction in Economics from a Canadian University and an MSC in Financial Management from University of London. Currently, Prem has taken a sabbatical leave from office to concentrate on global financial markets. His pastime includes trading at the stock markets and building complex models in Excel.



Alvin Joyekurun, CFA Assistant Events Chair

Alvin is serving the SFAM since October 2011.

He holds the Chartered Financial Analyst designation, a B.Sc (Hons) in Actuarial Science from the Cass Business School, London, and is a nearly-qualified actuary (Finance). Alvin has previously worked in the investment consulting field in London, and is currently a business developer within the Treasury unit of the Mauritius Commercial Bank.



MISSION & VISION OF CFASM

The mission of CFASM is to lead the development of the Investment Profession. CFASM realigns itself with the same principles as CFA Institute. We are committed to working with our members and the global investment community to achieve our mission through our five organizational pillars.

ETHICAL CHAMPION

Championing ethical behaviour in investment markets.

GLOBAL COMMUNITY

Creating a strong community of investment professionals.

INDUSTRY KNOWLEDGE

Being a respected source of knowledge in investment markets.

PROFESSIONAL EXCELLENCE

Raising standards of professional excellence in the industry.

THE GREATER GOOD

Building an investment industry that serves the interests of investors and society.

OBJECTS:

- To promote the highest level of professional behaviour and ethical standard and particularly the CFA Institute Code of Ethics and Standards of Professional Conduct;
- To promote the CFA Institute Chartered Financial Analysts program;
- To promote a proper public understanding of the Financial Analyst profession;
- To enhance both professional and general knowledge as well as the image of the Investment Professional.



THE CFA INSTITUTE CODE OF ETHICS



I will:

Act with integrity, competence, diligence and respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession and other participants in the global capital markets;

Place the integrity of the investment profession and interests of clients above my own personal interests;

Use reasonable care and exercise independent professional judgement when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities;

Practise and encourage others to practice in a professional and ethical manner that will reflect credit on ourselves and the profession;

Promote the integrity of, and uphold the rules governing, capital markets,

Maintain and improve my professional competence and strive to maintain and improve the competence of other investment professionals.

REBRANDING OF CFA INSTITUTE

In line with its new strategic plan, CFA Institute has launched a new brand identity that includes an updated logo and visual image (see below). While remaining true to its core values, the new brand represents a shift in how CFA Institute will tell its organizational story, with an emphasis on being insightful, vibrant, and approachable. The new logo symbolizes the collective identity of its global community of investment professionals centered on a core of ethical best practices.

Through this re-branding, CFA Institute hopes to deepen connections with members and clarify further the relationship between it and member societies.

We are delighted to inform you that our Society showed great enthusiasm for the rebranding project by becoming an early adopter of the new brand. There has been a successful change in the society name from the Society of Financial Analysts of Mauritius to CFA Society Mauritius. CFASM also happened to be one of the first societies to incorporate the new global brand and the first in the EMEA region.

CFASM has already adopted the new society logo and signed the short-term trademark usage agreement. It has received the new CFA Institute logo and usage guidelines.



CFA Institute



**CFA Society
Mauritius**

MEMBERSHIP REPORT

The membership year for CFA Institute and CFA Society Mauritius runs from 1 July to 30 June. Our community has witnessed significant growth over the past five years: membership increased by 118%, from 22 in 2008 to 48 in 2012. Charterholders followed the same trend with an expansion of 107%. In 2012, we had 29 CFA charterholders and 62% of our members were charterholders.

	2008	2009	2010	2011	2012
Members	22	22	50	51	47
Charterholders	14	15	25	29	29

EDUCATION AND TRAINING

PASS RATES

December 2011

38% of the 49,380 financial professionals (up 6% from December 2010) that sat for the Level I exam in December 2011.

June 2012

43% of 119,446 investment professionals worldwide passed the 2012 CFA exams.

Of 24,754 Level III candidates (up from 22,784 in June 2011), **52%** passed the third and final exam. The majority of candidates who passed the Level III exam are expected to become CFA charter holders starting in early October pending experience and membership requirements, bringing the number of charter holders worldwide to more than 105,000. Of 49,445 candidates who took the Level I exam (up from 48,068 in June 2011), the global pass rate was **38%**. Of 45,247 candidates who took the Level II exam (up from 44,175 in June 2011), the global pass rate was **42%**.

Mauritius

Level	Candidates	Passed	Pass rate
1	93	20	22%
2	53	13	25%

EDUCATION AND TRAINING

(Continued)

SCHOLARSHIP PROGRAM

The SFAM has allocated ten scholarships provided by CFA Institute under the Society Scholarship Program for candidates registered for the June 2012 exam.

The CFA Program enrollment fee is waived. Scholarship applicants pay a discounted registration fee along with curriculum and shipping costs plus any applicable taxes and import duties.

The criteria for selecting scholarship recipients were: willingness to achieve the CFA Charter (20%), involvement in SFAM activities and organizations (10%), need of financial assistance (40%) and appropriateness of CFA Charter for career development (30%).

The beneficiaries were: Parleshwar Sharma Doorgakant, Yashwin Rughooputh, Koraisha Jeewoot, Nazaahah Bi Rujee, Dilen Kistnen, Shamlesh Annah, Ravind Kumar Singh Mahadnac, Parveena Sheik Rahim – Edwards, Dushiant Kumar Dookan and Christopher Liong.

EDUCATIONAL DONATIONS 2012

CFA course materials were donated to the Charles Telfair Institute in 2012. The Faculty of Accounting and Finance employs 13 full-time and part-time academic staff and has some 250 students enrolled.

In partnership with its two major Australian academic partners, Curtin University and Challenger Institute of Technology, the Faculty offers a full range of Subjects, Certificates, Diplomas and Degrees in the disciplines of Financial Accounting, Cost Accounting, Management Accounting, Financial Management, Auditing, and Taxation. In addition, it runs the ACCA programme.

ACTIVITY REPORT

WORKSHOP ON ETHICS

In partnership with the Mauritius Institute of Directors [MioD], CFASM organised in July 2011, a half day workshop on the CFA Institute's Code of Ethics and Standards of Professional Conduct.

The workshop, which targeted Investment Professionals, Trustees and Directors, was conducted by Terence Berry, CFA - board member of CFA South Africa and CEO of ASISA Academy. The facilitator ensured that the session was highly interactive by making use of real life examples, while participants from different areas of the investment and finance industry had an opportunity to share their standpoint on the various case studies discussed.

The event was well attended by 25 managers and executives from a number of leading financial services organizations. MioD found the CFA Code of Ethics to be innovative and world class training for its members on the subject of ethics in the investment profession.

SEM YOUNG INVESTORS AWARDS 2011

CFASM was present at the prize giving ceremony of the SEM Young Investor Award [SEMYIA] 2011 Competition, which was held on 8th October 2011, at the Octave Wiehé Auditorium, Réduit.

Organised annually by the Stock Exchange of Mauritius [SEM], it was the 19th edition of this well-established national event, which attracted 171 teams of five students each from 96 colleges across the country, representing 855 students. The competition, which ran through

a 3-month period, ended on 1st July 2011. In addition of the performance of their Investment Fund, teams were assessed based on the Investment Plan and Report that were required to be submitted at the end of the competition. The winning team of the SEMYIA 2011 was Pailles SSS Team A.

The CFASM SEM Young Investors Award for the Best Report was presented to the Loreto College Mahebourg by James Benoit, CFA - the Chairperson of CFASM.

CFA INSTITUTE AFRICAN TRAVELLING CONFERENCE 2011

On 24th October 2011, CFASM proudly hosted the inaugural CFA Institute African Travelling Conference: “2011: Investment Opportunities and Risks in Africa”. Mauritius was the first leg of the Travelling Conference, with Johannesburg and Cape Town as the next two stops. However, the final leg in Kenya was skipped because of potential terrorist attacks.

The event in Mauritius was successful with 110 attendees, many of whom are CFA Charterholders and candidates as well as high level executives. The conference provided a great learning and networking opportunity for investment professionals. Arthur Thompson, CFA – President Council Representative, EMEA East - stated: “*It is exciting to see the explosion of educational activities and opportunities in the EMEA East region. Innovation is alive and well!*”

This half-day conference, which took place at the Intercontinental Hotel, in Balaclava, was highly praised by the participants, based on both the topics discussed by the speakers, as well, as the quality of the venue and the organisation of the event.

The conference, which had a focus on the investment opportunities and risks in Africa, was kick-started by Mr. Joachim Berlenbach, President, Earth Resource Investment Group, who discussed the valuation of natural resources companies in a changing world. Addressing the audience next was Mr. Richard Hokenson, Founder, Hokenson & Company. His presentation, which focused on demographics and its impact on investment opportunities, made the comparison between the demographic profile of Africa as the fastest growing continent to the ageing economies in Europe and declining birth rates in China.

The third speaker, Mr. Cliff Quisenberry, CFA - CEO/CIO, Caravan Capital Management LLC - explained to the participants how investors evaluate frontier markets for investment purposes. According to him, for an investor to be successful in these markets that provide a world of opportunity, it is recommendable to take advantage of low correlations by building broad portfolios, while concentrations are to be avoided. One is to seek out the frontiers ignored by the crowd and to limit turnover to illiquid markets.

ACTIVITY REPORT

(Continued)

The fourth and last speaker, Dr. Michael G. McMillan, CPA, CFA - Director, Ethics and Professional Standards, CFA Institute - highlighted the complexity related to ethical decision making which is a crucial part of the mission statement of CFA Institute. In an attempt to familiarize the local executives to the CFA Institute Code of Ethics and Standards of Professional Conduct, he held an interactive case-based session examining real investment scenarios.

Ms Clairette Ah-Hen, Chief Executive of the Mauritian Financial Services Commission, and Mr Sunil Benimadhu, Chief Executive of the Stock Exchange of Mauritius also addressed the audience during the conference. Mr. James Benoit, CFA – Chairperson of CFA SM – and Mr. Imrith Ramtohul, FCCA, CFA – Vice-Chairperson of CFA SM – also intervened to welcome and thank the speakers, delegates, sponsors and volunteers at the event.



COMPETITION WEEK

The Competition Commission organised a workshop on Competition Law for Professionals on 18th November 2011 at the Link Hotel in Eben, in collaboration with CFASM and the Bar Council.

The purpose of the workshop was to enlighten professionals of the opportunities being generated to them since the introduction of the Competition Regime in Mauritius. International guest speakers Dr. Benoit Durand, Partner at RBB Economics, spoke on the Economics analysis of merger cases, while Dr. Jérôme Philippe, Partner at Freshfields Bruckhaus Deringer LLP, talked on competition compliance and leniency applications. The Competition Commission reiterated its support for competitive and transparent markets, while providing assurance to investors and consumers that Mauritius remains a high quality place to business in and to invest in.

CFASM participated in the event as part of its advocacy effort and extended the invitation to its members and candidates. Intervening at the workshop, Mr. James Benoit, CFA highlighted that, “...*well regulated markets are essential for global and domestic investors to make investment decisions and allocations.*”

ROUND TABLE & CHARTER CEREMONY

CFASM’s end of year event took place on 8th December 2011 with a round table on ‘*Engine of growth for Mauritius: India & Africa*’. Three distinguished practitioners were invited to share their views about the strategies that must be pursued for Mauritius to become the financial centre of reference for investment into Africa. The evening was proudly hosted by the Financial Services Commission at their premises. A charter ceremony which awarded the CFA charter to two local investment professionals was also held during that evening.

Mr. Sanjiv Bhasin, GM and CEO of DBS Bank (India) and former CEO of HSBC (Mauritius) launched the debate by speaking on ‘*Outlook and challenges for India in African investments*’. He explained that three key trends were on the rise: Africa’s evolving global economic ties, growing access to international capital and emergence of an urban African consumer. He believes that Mauritius must position itself to be the cultural ambassador and financial hub of excellence for Africa globally.

ACTIVITY REPORT

(Continued)

Mr. Maurice Lam, Chairman of Board of Investment (Mauritius), and founding partner of Stewardship Consulting (Singapore) was next to address the audience on the topic of *'Using the Singapore model for linkages for India, Mauritius and Africa'*. He explained the air connectivity to Asia and Africa needs to improve with an open-sky policy. The government and private sector must demonstrate a closer relationship with its African and Indian partners in order to transform Mauritius as the regional hub between India and Africa. He also mentioned that Mauritius should open up and welcome the competencies of young African and Indian professionals in order to build stronger relationship between Africa and India.

Dr. Rama Sithanen, Chairman and Director of International Financial Services Limited (Mauritius) had as theme *'Implications of review of the Mauritius – India double taxation treaty and way forward for Mauritius'*. According to him, the high

level negotiations will most probably include the exchange of information between the two financial authorities, the problem of round tripping, the assistance of local fiscal authorities to collect tax revenues and the limitation of fiscal exemptions allowed to companies and their beneficial owners. Dr. Rama Sithanen mentioned that the issue of Capital Gains Tax may reveal to be the central point on this specific issue. He concluded that the perception and image of the local global business must improve.

At the same event, a recognition ceremony was held for two new Charterholders: Rajeev Lalsing, CFA and Sharona Rambocus, CFA. Arthur Thompson, CFA - Presidents Council Representative for EMEA East graced the occasion and personally remitted the charters. The event was well attended with 77 persons and ended with our end of year cocktail, at the same premises, for networking, and exchange of views and insights with the three speakers of the round table.

BELL CEREMONY

On 29th May 2012, the CFA Institute celebrated 50 years of the Chartered Financial Analyst programme by hosting a joint opening ceremony with the Stock Exchange of Mauritius. Joining more than 20 other cities including London, New York, Hong Kong, Mumbai and Singapore, Mauritius participated in a series of events happening in major financial centres around the world, representing the greatest number of stock exchanges to be opened or closed by one organization in a single day.

To honour this occasion in Mauritius, Sunil Benimadhu, Chief Executive of the Stock Exchange of Mauritius (SEM), Clairette Ah-Hen, Chief Executive of the Financial Services Commission, and James Benoit, President of CFA Society Mauritius, rang the Opening Bell. The events ushered in a year of celebration for CFA Institute, which offered the first CFA examination in June 1963.



50e anniversaire pour la CFASM 30 May 2012

Clairette Ah-Hen, Chief Executive de la FSC, recevant de James Benoit un exemplaire du livre Gold Standard consacré à l'éthique financière.



CFA CONFERENCE SERIES

LeDEFIMEDIAGROUP www.defimedia.info

Le Professeur Giorgio Valente, spécialiste des algorithmes des échanges boursiers, donnera, ce lundi, au siège de la Financial Services Commission à Ebène, une conférence à l'invitation de la Chartered Financial Analysts



Le Professeur Giorgio Valente, spécialiste des algorithmes des échanges boursiers...

Society Mauritius (CFASM).

Le professeur partagera avec les courtiers, les donneurs d'ordre et les spécialistes de l'analyse financière, sa vaste expérience en matière d'algorithmes des marchés boursiers.

Lors de sa conférence à Maurice, dont le thème est « Les algorithmes des marchés boursiers et financiers – tendances et implications », le professeur Valente mettra l'accent sur l'idée que les échanges boursiers électroniques se sont substitués aux échanges de gré à gré à la corbeille.

On estime, aujourd'hui, que 70% du volume des échanges des titres sur le marché américain se fait par le truchement des algorithmes boursiers.

Giorgio Valente détient la chaire des Finances à l'Essex Business School du Royaume-Uni et faisait aussi partie des facultés de l'Université de Warwick, de la Chinese University of Hong Kong et de l'Université de Leicester en Grande-Bretagne. Grâce à son parcours, le Professeur Giorgio Valente figure parmi les 200 économistes les plus éminents de la planète, avec une place de choix dans les meilleurs « Who's Who » d'Amérique, d'Asie et du monde.

LM ECONOMIE

Comprendre les échanges boursiers avec Giorgio Valente

Le Matinal News Service
Fort-Louis, 11 juin

Le Professeur Giorgio Valente, éminent spécialiste des algorithmes des échanges boursiers, a donné, lundi, au siège de la Financial Services Commission à Ebène, une conférence à l'invitation de CFASM (Chartered Financial Analysts Society Mauritius). Le professeur a partagé avec les courtiers, les donneurs d'ordre et les spécialistes de l'analyse financière, sa vaste expérience en matière d'algorithmes des marchés boursiers. Le président de CFASM, James Benoit, a rappelé que les algorithmes boursiers sont "d'une très grande technicité".



Giorgio Valente

Le volume des échanges sur le marché américain des titres se fait par le truchement des algorithmes boursiers. Des taux de croissance analogues ont été constatés sur des marchés subsidiaires, notamment ceux des devises et des revenus fixes.

Pour faire face à la loi du "plus rapide" sur le marché financier, les "hedge funds" et les banques d'investissement ont de plus en plus recourus à des processeurs de calcul ultra puissants et intelligents fonctionnant à 24h sur 24. Ce phénomène a investi l'univers des traders qui tentent, dans une guerre de nerfs sans merci, de placer leurs ordres au plus près des marchés électroniques. Histoire de gagner des microsecondes pour faire la bonne affaire avant les autres.

Avec un parcours impressionnant, et très respecté de ses confrères à travers le monde, Giorgio Valente a obtenu son diplôme de finances à l'Essex Business School du Royaume-Uni. Il a déjà collaboré avec des facultés de l'Université de Warwick, de la Chinese University of Hong Kong et de l'Université de Leicester en Grande-Bretagne. Ses recherches se concentrent sur les questions empiriques de la finance internationale et des actifs. Ses communications ont été publiées dans de nombreux ouvrages de la finance et de l'économie.

Le professeur Valente, qui figure parmi les 200 économistes les plus éminents de la planète, a fait une analyse critique sur les publications récentes portant sur les échanges algorithmiques et de leurs implications majeures sur la fixation du prix des titres et l'efficiency du marché. Il a également parlé de leurs implications dans les politiques générales préliminaires. Selon le Professeur, au fil du temps, les échanges boursiers électroniques se sont substitués aux échanges de gré à gré à la corbeille. On estime aujourd'hui que 70% du

ACTA PUBLICA

CRISE DE L'EURO

Professeur Giorgio Valente : « Les banques exposées aux banques européennes seront affectées »

Le professeur Giorgio Valente estime que Maurice subira les effets de la crise économique qui secoue l'Europe si seulement son secteur bancaire a de grandes expositions avec les banques en Europe. Cependant, il rassure : « Le pays est exposé à la crise mais ce n'est pas vraiment alarmant »

JAMHRODDIN YEADALLY

L'ÉMINENT SPÉCIALISTE des algorithmes des échanges boursiers international se trouve au siège de la Financial Services Commission (FSC) au cours d'une conférence à l'invitation de la Chartered Financial Analysts Society of Mauritius (CFASM). Cette initiative se tient dans le cadre des conférences organisées par la branche locale de la CFA Institute à l'invitation de ses membres et autres professionnels du milieu financier mauricien.

Le professeur Giorgio Valente a également assisté au séminaire de travail avec les courtiers, les donneurs d'ordre et les professionnels des services financiers. Le thème de sa conférence était : « Les Algorithmes des marchés boursiers et financiers – tendances et implications ».

Commentant la crise qui gagne de l'ampleur en Espagne, le professeur rassure que « la situation est assez fluide pour le moment et nous attendons tous les décisions politiques. La première chose est de voir comment le système sera traité dans un proche avenir », tout en affirmant que les marchés sont en train de digérer d'une façon très positive.

TENDANCES DE GRÉ À GRÉ
« Dans un scénario négatif, cette année continuerait avec un déclin sur les autres économies à cause de l'Espagne. Mais il est possible que l'Italie soit affectée à court terme. La confiance des investisseurs est en baisse et il y a peu de nouvelles politiques pour maintenir de l'ordre et se placer à la même hauteur de pays ne



Professeur Giorgio Valente en compagnie de James Benoit et de Chaietta Ah-Han

chers, alors peut-être le marché sera moins volatil au cours des prochains mois ».

Élaborant sur l'évolution du secteur boursier l'invité de la CFASM a observé que les échanges électroniques se sont substitués aux échanges de gré à gré à la corbeille. Il estime que 70% du volume des échanges sur le marché américain des titres se fait par le truchement des algorithmes boursiers et que des taux de croissance analogues ont été constatés sur des

marchés subsidiaires, notamment ceux des devises et des revenus fixes.

Le professeur déplore le fait que le « trading » à haute fréquence est en train d'affecter le marché dans de nombreux pays.

Giorgio Valente enseigne la finance au Essex Business School à l'Université d'Essex. Il avait auparavant travaillé aux universités de Warwick, de Leicester et à la Chinese University de Hong Kong. Ses recherches sont basées sur les investissements dans la finance internationale, la structure du marché et les prix des actifs. Ses travaux ont été publiés dans des journaux spécialisés de par le monde. Il a été impliqué dans des projets de conseil, de formation, de recherches et de consultation publique pour de nombreuses institutions incluant le US Federal Reserve, la Hong Kong Monetary Authority et la Bank for International Settlements.

the independent daily

PORT LOUIS, SATURDAY, JUNE 9, 2012

Eminent professor to be at CFASM event

PORT LOUIS: Professor Giorgio Valente, a prominent figure in stock exchange algorithms will speak at a conference hosted by CFASM (Chartered Financial Analysts Mauritius Society) on June 11 at the headquarters of the Financial Services Commission (FSC) in Ebène. It is an initiative which is being held as part of conferences organised by the local branch of the CFA for its members and other financial professionals in the island. The professor will share his vast experience in stock market algorithms with brokers and specialists in the financial analysis.

AUDITORS' REPORT

TO THE MEMBERS OF CFA SOCIETY MAURITIUS (PREVIOUSLY SOCIETY OF FINANCIAL ANALYSTS OF MAURITIUS)

We have audited the accounts of “CFA SOCIETY MAURITIUS” set out on page 26 which have been prepared under the historical cost convention.

RESPECTIVE RESPONSIBILITIES OF THE MANAGING COMMITTEE AND AUDITORS

The Managing Committee is responsible for keeping proper accounting records which disclose with reasonable accuracy at any time the financial position of the Association and to enable them to ensure that the financial statements comply with the Companies Act 2001. They are also responsible for safe guarding the assets of the Association and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities. It is our responsibility to form an independent opinion, based on our audit, on those financial statements and to report our opinion to you.

BASIS OF OPINION

We conducted our audit in accordance with International Auditing Standards. An audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Managing Committee in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Association’s circumstances consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements.

AUDITORS' REPORT

(Continued)

OPINION

In our opinion the financial statements give a true and fair view of the state of affairs of the Association as at 30th June 2012 and of its surplus of income over expenditure for the year then ended and have been properly prepared in accordance with the Companies Act 2001 and International Accounting Standards.



AEJAZ NAZIR ASSOCIATES & CO
Chartered Certified Accountants

18, Dr Auguste Rouget Street,
Port-Louis, Mauritius

Represented by Aejaz Nazir (FCCA, MIPA)
Partner.

Date : 31.08.12

MANAGING COMMITTEE'S RESPONSIBILITY STATEMENT

FINANCIAL STATEMENTS

The Managing Committee of CFASM is responsible for the integrity of the audited financial statements of the Association and the objectivity of the other items of information presented in these statements:

The MC confirms that, in preparing the audited financial statements, it has:

- Selected suitable accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;
- Kept proper accounting records which disclose with reasonable accuracy at any time that the financial position of the Company;
- Safeguarded the assets of the Company by maintaining internal accounting and administrative control systems and procedures; and
- Taken reasonable steps for the prevention and detection of fraud and other irregularities.

SOCIETY FUNDING

The CFA Institute introduced a new funding model as from FY 2012 and it is expected to be fully effective by 01 September 2013 (FY14). With the new model, there will be a direct linkage between the attainment of the SMSS and society funding. The funding available to each society will be linearly correlated to the society's membership.

Growth support funding will also be available to societies but will be only for projects of strategic significance at the local, regional or global level. Applications are required to be made to the Institute for evaluation by a panel. For the current financial year, CFASM applied for and was awarded \$40,000 under the Growth Support Funding scheme. The application was made in respect of the "*Outreach and Awareness: Key Employers, Regulators and University - Public Relations and Rebranding Project*".

MANAGEMENT AGREEMENTS

No management agreement has been entered into by the Association.

MANAGING COMMITTEE'S RESPONSIBILITY STATEMENT

OTHER CONTRACTUAL SERVICE AGREEMENTS

CFASM entered a contractual agreement with PROAKTIVPR LTD on 14 April 2012 for the provision of PR and Consultancy Services as part of “*Outreach and Awareness: Key Employers, Regulators and University Public Relations and Rebranding Project*”.

The fixed-fee contract is for a period of nine months through to January 2013.

DONATIONS

CFASM did not make any donations in this financial year.

SPONSORSHIP

CFASM was one of the Silver Sponsor for the Mauritius International Investment Forum organised by the Board of Investment.

ANNUAL FINANCIAL STATEMENTS

The audited financial statements of the Association which appear on page 26 were approved by the Managing Committee on 05 September 2012.

FINANCIAL HIGHLIGHTS

FINANCIAL POSITION AS AT 30 JUNE 2012

Net Asset (Rs)	2012	2011
Cash at bank	1,161,133	324,355
Sponsor income receivable	167,606	122,595
Membership income	7,960	17,489
Audit fees payable	(11,500)	(10,000)
Other payables	-	(17,250)
	1,325,199	437,189

Financed by (Rs)	2012	2011
Accumulated Funds	437,189	419,271
Surplus for the year	888,010	17,918
	1,325,199	437,189

INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2012

Income	Rs	Expenses	Rs
Membership fees	34,095	AGM	28,813
Operational funds	353,621	Functions	668,093
Growth funds	1,167,02	Public Awareness	441,828
Corporate	430,000	Audit fees	11,500
Income from	135,725	Admin related	99,066
Interest income	21,550	Bank charges	4,705
Total income	2,142,01	Total expenses	1,254,00

Surplus - Rs 888,010

NOTICE TO MEMBERS

Notice is hereby given that the twelfth Annual General Meeting of **CFA Society Mauritius** (formerly known as **Society of Financial Analysts of Mauritius**) will be held on Tuesday 25 September 2012 at 27 Restaurant, 10 Intendance Street, Port Louis at 18h00 to transact the following business:

18h00 - Annual General Meeting (AGM)

1. Reading and Approval of minutes of last AGM
2. Matters Arising
3. President's Report
4. Presentation and Approval of Accounts for the year ended 30 June 2012
5. Election of members of the Managing Committee
6. Appointment of the Auditor
7. Presentation and Approval of Estimates of Expenditure
8. A.O.B

Members are requested to confirm their presence with the Assistant Secretary, AshwinPrayag, CFA via email (aprayag@hotmail.com, aprayag@hotmail.com) by Friday 23 September 2012 (18h00). Proxy form can also be requested from the Assistant Secretary. Please note that in order to be effective, proxy forms must reach the Assistant Secretary via email by Friday 23 September 2012 (18h00).

Members wishing to stand as candidate for a seat on the Managing Committee are requested to send their notice of candidature in writing to the Assistant Secretary by email before Tuesday 18 September 2012 (18h00).

Members can request a copy of the rules of CFASM by email from the Assistant Secretary.

James Leung Yin Kow, CFA
Secretary
CFA Society Mauritius
Tel : 723-8195

5 September 2012
www.cfasociety.org/mauritius



PROXY FORM

For twelfth Annual General Meeting

I _____

being a member of CFA Society Mauritius (“CFASM”) hereby appoint

Mr/ Ms/ Miss _____

as my proxy to vote for me and on my behalf at the twelfth Annual General Meeting of CFASM to be held on Tuesday 25 September 2012 (18h00) and at any adjournment thereof.

Signature :

Name : _____

Date : _____

In order to be effective, proxy forms must reach Ashwin Prayag, CFA by Friday 21 September 2012 (18h00) by email at aprayag@hotmail.com.

CORPORATE PATRONS





www.cfainstitute.org
E: info@cfainstitute.org



www.cfasociety.org/mauritius
E: president@mauritius.cfasociety.org
E: secretary@mauritius.cfasociety.org

About CFA Institute

CFA Institute is the global association of investment professionals that sets the standard for professional excellence and credentials. The organization is a champion for ethical behavior in investment markets and a respected source of knowledge in the global financial community. The end goal: to create an environment where investors' interests come first, markets function at their best, and economies grow. CFA Institute has more than 110,000 members in 139 countries and territories, including 100,000 charterholders, and 136 member societies.

**For more information visit
www.cfainstitute.org.**

