



CFA Society  
Mauritius

## NEWSLETTER ISSUE 22

December 2017

Dear Members/Candidates,

The rapid pace of progressive technological enhancements with ever shorter life spans has been, probably, the “zeitgeist” of this decade. The speed with which technological advancements are being churned out and embraced by first movers, leaves very little time for society, regulators and industry stakeholders to assimilate in full, the implications thereof.

Technology is begun to be seen as a disruptive force within the investment industry for it challenges the status quo and leaves many hapless with a cornelian adapt-or-perish choice. Cornelian, for, even if adapted, the technology would lead to a disruption in the business model or in the way business was conducted previously, with the ensuing collateral damage.

Let us take for example one of the applications of blockchain technology. It enables the secure, inviolable transfer of funds between peer-to-peer entities without having to pass through a financial institution; and with low transactional costs. The change is inevitable and it is obvious, for the financial institution to not adapt it, is to

perish. The financial institution adapting it, is not spared either. It would need to revisit its traditional business model built on physical facilities and distributed hardware, with their taxing cost element. So, it spells a self-annihilation of the form in which it existed. Furthermore, it would need to reinvent its role for there is still no justification for it to be considered as an essential intermediary between the transferor and transferee!!!

As well put in “The Future State of the Investment Profession” report by CFAI, the future is a choice to be taken by applying foresight and coherent action.... not an outcome of uncertain reflection and compelled action.

It is important for investment professionals to take heed of this phenomenon on two counts. First, that the Fintech sector could be a source of some new interesting investment prospects. A substantial 48% of investment leaders polled for the study, expect technology will offer new opportunities for investment.

Second, to understand the effects of this technology on the existing sectors or stocks, in terms of their business process, their client base interface and the very

necessity of their operations. These implications would need to be factored in while making decisions on investment portfolio constituents.

With large millennial demographics globally and their well-known preference for technology, transparency, empowering purpose and speed, it would be foolhardy to neglect this paradigm shift or to dismiss it off as yet another generational fad.

Big data, machine intelligence, robot advisers, peer-to-peer, blockchain, mobile and social media are in our moeurs to stay. So, let us make it our New Year resolution to become knowledgeable about them, understand their latent potential and endeavor to tap them for a transparent, ethical, volume driven low cost financial industry.

Wishing all of you and the investment industry at large a Happy New Year 2018; with a sincere hope that the only bubbles that we see in the coming year are the ones in our champagne flutes!!!! Cheers.

### *CFASM: Special Mention*

Out of the 23 EMEA Societies, your society came third in the category “**Most Improved Society Member Satisfaction Rating 2017**” with a special mention at the EMEA Society Leadership Conference at Jordan. The Management Committee thanks all members and candidates for their support in realizing this 12% leap in member satisfaction over 2016.

### Contact Information:

CFA Society Mauritius  
admin@mauritius.cfasociety.org  
[www.cfasociety.org/mauritius/](http://www.cfasociety.org/mauritius/)



The chronology of events and milestones that have marked the last six months are as follows:

- ✚ *SEM Young Investors Award*
- ✚ *Annual General Meeting 2017*
- ✚ *Research Challenge Launch*
- ✚ *Research Challenge Q&A Session*
- ✚ *SLC EMEA, Jordan*
- ✚ *The Future state of the investment Profession*
- ✚ *Outreach*
- ✚ *Golf Invitational Tournament 2017*
- ✚ *Presentation of Hedge Funds*
- ✚ *Charter Award Ceremony and Year end Diner*
- ✚ *Media Presence*
- ✚ *Photo People*

### **SEM Young Investors Award (SEMYIA)**

The Stock Exchange of Mauritius (SEM) held the Awards Ceremony for the 25th edition of the SEM Young Investor Award Competition (SEMYIA) 2017 at the Octave Wiehé Auditorium, Réduit, on 16<sup>th</sup> August 2017. The 2017 competition attracted 208 teams of five students each from 104 colleges across the country, representing 1040 students.

CFASM again took part in the 2017 SEMYIA ceremony. We presented a challenge trophy to the winning team, Ebene SSS Girls, Team B for the Best Report. Nousher Sait and Sudha Jugroo, represented CFASM at the ceremony.

CFASM is pleased to be associated with the SEMYIA Competition as it promotes investor education and financial literacy among the youth.



The Best Report Prize Winners accompanied by the president of CFASM



The Chief guests for SEMYIA & the President of CFASM

### **ANNUAL GENERAL MEETING 2017**

The 17th Annual General Meeting of the Society took place on 15<sup>th</sup> September 2017 at the Flying Dodo, Bagatelle. Out of 68 regular compliant members with voting rights, 46 were present or voted by proxy. In his speech, the President highlighted the fact that there had been an 11% and 9% increase in the number of members and charter holders respectively. He averred that this growth rate would continue given that there was a buffer of 24 charter pending in the process of clocking in the relevant prerequisite experience. Mention was also made of the various milestones achieved during the financial year, such as the successful completion of the 2nd Research Challenge (RC) and the participation of the RC winning team in the regionals at Prague. It was the second year in a row that an office bearer from the MC was part of the RC Regionals judging panel. Initiatives such as mock exams for candidates, timely issues of the Bi-annual Newsletter, media presence through event coverage and placed adverts on RC award winners etc. were echoed as in the past. Breaking away from the past, exceptionally, there had also been a CFAI sponsored full-fledged brand campaign for promoting the CFA designation.

He also highlighted the events that had marked the year such as the talk on “The use of futures markets to reduce portfolio volatility” by Jeremy O’Friel and the Charter Ceremony, which had been graced by George Spentzos, Board of Governors, CFAI. The presence of George had been further capitalised on by the MC to sustain employer and regulator outreach campaigns.

A glimpse of forthcoming events included the 2nd CFASM Golf Tournament, the launch of the 3rd edition of RC, speaker events on hedge funds and equity valuations and the visit by Gary Baker, CFA, Managing Director, EMEA Region, CFA Institute.

During the AGM resolutions were also passed relating to changes in the Rules of the CFASM that will allow for the creation of an Aspirant membership class and the possible acquisition of office premises for corporate presence, subject to the approval of members.



**RESEARCH CHALLENGE 2017**

**Research Challenge Launch Event, 06<sup>th</sup> Oct 2017**

The Research Challenge(RC) at the local level was launched on the 06<sup>th</sup> of October 2017 at Voila Bagatelle. This year, we are pleased to announce the participation of five teams from four universities namely The University of Mauritius (2), Charles Telfair Institute (1), University of Technology Mauritius (1) and Middlesex University (1). Besides getting an overview of the rules of the game, the kick-off event was an opportunity for the participants to meet their respective industry mentor and take cognizance of the name of the Target Company on which they are expected to prepare and present a research report. The Target Company for this third edition of the Local Research Challenge 2017/2018 is Innodis Ltd, and we had the pleasure of having the Group Finance Manager, Mr. Vivek Ramtohul, deliver a short but captivating presentation on the company.

**Research Challenge Q&A, 13<sup>th</sup> Oct 2017**

The CFASM, in collaboration with the Target Company, organized a Question and Answer session for the participants and their faculty advisors on 13<sup>th</sup> October 2017 at the Dairy plant of Innodis Ltd in Phoenix. Vivek Ramtohul, the Group Finance Manager of Innodis Ltd made a detailed presentation of the group’s activities, financials and prospects and invited questions from the participants. The latter were quite enthusiastic and engaging. The next step in the challenge requires the students to submit a first draft of the research report to their mentor for feedback after which they will submit the final report for grading. The final presentation of their research findings will take place in front of a judging panel of industry experts. The winning team of the Local RC which will in held in early March 2018 will then travel to Dublin, Ireland where the regional competition is scheduled for April 2018.



*Vivek Ramtohul for the Q&A session*

*The teams attending the Q&A Session at the Dairy Plant of Innodis Ltd*



*Vivek Ramtohul, the Group Finance Manager of Innodis Ltd, presenting his company during the RC launch*



*L to R: Norman Fon Sing, Ved Auckaloo, Sazia Khodabacksh and Vivek Ramtohul*



*The UOM team (last RC edition’s Winning team) sharing their experience during the RC Launch*

**EMEA Society Leadership Conference, Jordan, 28<sup>th</sup> - 30<sup>th</sup> September**

The EMEA Society Leadership Conference was held between 28th and 30th September in Jordan. Nousher Sait, Imrith Ramtohol and Sudha Jugroo represented CFASM at this event. The main theme covered was “The Power of Relationships”. The importance of relationship management and its impact on the investment world was highlighted throughout the Conference. Key topics addressed included:

- Relationships to strengthen Society Brand and Internal Teams
- Relationships with Key Audiences
- Utilizing Content to Build Relationships
- Soft Skills and Governance Training

It should moreover be noted that an African Advocacy Workshop was held prior to the Conference. Nousher Sait attended this event. Several society representatives coming from a number of African countries also participated.



*Board of Governors panel in SLC Jordan*



*CFASM Delegates in a working session in Jordan*

**"The Future State of the Investment Profession", 20<sup>th</sup> Oct 2017**

CFASM organised a speech on "The Future State of the Investment Profession". The event was held on the 20th October 2017 at Labourdonnais Waterfront Hotel, Port Louis. Our guest speaker was Mr. Gary Baker, CFA who is the Managing Director, EMEA of CFA Institute. Gary spoke of the key megatrends that would impact the investment profession as delineated in the CFAI survey and report of the same title as the topic of the day. The possible scenarios discerned in the report would help the investment industry be proactive in the capacity building and reskilling of the work force in line with the future dynamics.



*Gary Baker, CFA*



*Gary giving his interview*

# Outreach Meetings on 20<sup>th</sup> Oct 2017

## ***Tertiary Education Commission***

*Gary Baker accompanied by Nousher Sait and Ved Auckaloo paid a courtesy visit to the TEC in keeping with the Society outreach campaign and to formalize their request that the CFA designation be recognized by public sector bodies as the equivalent of a Master`s level degree qualification as it is in UK and other countries. They were received by the Director of the TEC, Sid Nair in the presence of Dr. Vivek Ramnarain. A constructive dialogue has been established and will need to be followed up over the year.*

## ***Financial Services Commission (FSC)***

*Gary's visit was also an occasion for CFASM to renew contact with the FSC. Ved Auckaloo accompanied Gary for the courtesy call and they were both received by Mr. Harvesh Seegoolam at Ebene. Various venues of cooperation and collaboration were discussed along with an overview of the role that FSC is expected to play in its drive for a transparent investor friendly industry. The meeting ended positively with both CFASM and FSC, reiterating their commitment to mutually continue to work for an ethical world class financial center.*

## ***Meeting with Senior Officials of the Stock Exchange of Mauritius and Bank of Mauritius***

*On 20th October, Gary Baker and Imrith Ramtohol had a courtesy meeting with Senior Officials of the Stock Exchange of Mauritius (SEM) and the Bank of Mauritius (BOM).*

## ***Stock Exchange of Mauritius***

*Mr. Sunil Benimadhu, Chief Executive of SEM updated Gary on the new products being listed on the Mauritian Stock Exchange and how Mauritius could potentially benefit from such listings. Gary highlighted that both CFA Institute and CFASM would continue supporting the local Stock Exchange in its future initiatives. Amongst others, they could assist the Stock Exchange in identifying trainers/speakers for its workshops.*

## ***Bank of Mauritius***

*Gary informed Mr. Vikramdass Punchoo, Second Deputy Governor of BOM, that both CFA Institute and CFASM both would be pleased to assist the Bank in its future projects. He elaborated on the 'Future of Finance' Initiative. It was also agreed that CFA Institute publications could be shared on a regular basis with the BOM.*

**The Management Committee of CFASM is grateful to the Senior Management of SEM, BOM, FSC and TEC for having hosted these meetings.**

### CFASM Golf Invitational Tournament 2017, 28<sup>th</sup> Oct 2017

This year the Golf Invitational Tournament was organized at Avalon Golf Estate, Bois Cheri on the 28<sup>th</sup> of October 2017. It was part of CFASM's outreach program to create awareness of the CFA designation among investment practitioners and the investing public at large. There were 35 participants in the golfer category and 12 in the initiation category, among which there were CFASM Members, Corporate Patrons and a number of investment professionals. The golf event ended with a friendly networking lunch. The winners were as follows:

- First Prize: Rinsy Ansalam
- Second Prize: Herbert De Robillard
- Third Prize: Sandeep Jaishankar
- Nearest to pin: Rob Davelaar
- Longest Drive: Siven Parianen



*Briefing before the tournament*



*Group Photo of the Golfers*

### Hedge Funds Presentation, 28<sup>th</sup> Nov 2017

On 28<sup>th</sup> November, we had the pleasure to welcome Mr Sébastien Poiret, Managing Director at Notz Stucki Origins for a presentation on the theme 'Hedge Funds – Myth vs Reality' at Voila Bagatelle. Mr Poiret described the principles of a Hedge Fund, explained the different Hedge Fund strategies and shared his views on why it could be considered in portfolio allocation, especially in the current environment. He also compared the performance of traditional investments v/s hedge funds, and showed why Hedge Funds have outperformed equity markets over the long run with less risk.

The event attracted 40 investment professionals from the financial services sector as well as representatives from the local media.

*The Management Committee of CFASM is open for opportunities to invite foreign speakers at its events. Please inform us if you are aware of well-known investment professionals who would be interested to speak at to-be-organized future events.*



*Sebastien Poiret doing his presentation*



*The attendees of the Hedge Funds presentation*

## Brand Campaign Glimpse

**Charter Award Ceremony & Year End Dinner 2017**

The December month got rolling with the Festive Season by welcoming a dozen of new Charter recipients. CFASM organized the 2017 Charter Award Ceremony and year dinner at La Pirogue Resort & Spa on the 1<sup>st</sup> December 2017. The event was preceded with a welcoming cocktail on the lush lawns of the hotel with a turquoise lagoon backdrop.

The CFASM members count went to 80 members with 71 charterholders. Our Chief Guest this year was Mrs. Lamees Albaharna, CFA, President's Council Representative of the CFA Institute. On this occasion, she along with the President Nousher Sait seized the opportunity to congratulate the new charterholders; Sorganaden Pillay Appavoo, Terry Cha Sow King, Mohammad Allyhim Damree, Parleshwar Sharma Doorgakant, Simon Jerome Harel, Shakeel Oopuddhye Jankee, Joseph Fabien Jeanne, Roodesh Muttylall, Louis Obiekwe Okechukwu, Koonul Udhai Putty, Ange Gregory Didier Soobaya and Michael Kelvyn Yap San Min and handed them with their CFA Charter and a shield as recognition for their hard work.



*The Charter Recipients of 2017*

**Media Presence**

- ✦ *The African Exchanges Issue 2 of October 2017 makes special mention of the support of CFASM in the SEM Young Investor's Award 2017. This was remarked by the other African CFA Societies subscribers to the ASEAN magazine, who intend to emulate within their respective stock exchanges in such initiatives. CFAI has launched a special ASEAN scholarship scheme to further the designation in the region and appreciated the ongoing collaboration for the last 10 years.*
- ✦ *Gary Baker's visit and talk were covered by both the Mauritius Broadcasting Corporation which was retransmitted on the Journal Television on 10<sup>th</sup> Dec 2017, as well as Defi Media.*
- ✦ *The 2nd CFASM Invitational Golf Tournament resume was published in the 3<sup>rd</sup> November 2017 issue of BizWeek.*
- ✦ *The interview of Sebastien Poiret following his talk on Hedge Funds: Myth vs Reality was published on a two-page centerfold in the 1<sup>st</sup> December 2017 edition of BizWeek. The MBC crew had done a short coverage of the event.*
- ✦ *The Charter Ceremony and End of Year Dinner with Lamees Al Baharna as CFAI representative was diversely covered by Le Mauricien, the News on Sunday as well as in the 8<sup>th</sup> December edition of Bizweek where the new charter recipients were named and famed.*

Photo People





[CLICK HERE to View All Albums](#)

**THE MANAGEMENT COMMITTEE**



*Nousher Sait, CFA  
President*



*Vedprakash Auckaloo  
Secretary*



*Norman Fon Sing, CFA  
Treasurer*



*Imrith Ramtohol, CFA, CIPM  
Advocacy Chair*



*Jessica Ha Shun, CFA  
Membership Chair and  
Assistant Treasurer*



*Sazia Khodabacksh, CFA  
Education Chair and  
Assistant Secretary*

**OUR CORPORATE PATRONS 2017/2018**

