



Dear Members and Candidates,

“Change cannot be given to you every time. You must bring the change”.

A quote that reflects profound wisdom when uttered by a sage or a philosopher, almost akin to Mahatma Gandhi’s famous “Be the change that you wish to see in the world”, could take on a totally different circumstantial connotation.

Reread the quote again, but this time attributing it to a conductor plying a bus from Curepipe to Port Louis; it immediately stands out as a simple request for passengers to tender exact change, behest of any allusion to personal introspection!!

Sensible information assimilation, therefore, typically requires knowing the context of the message as well as the source or originator of the message.

But then, we are in an era of unbridled communication and over the last few years, the new normal is anything but sensible. We have fake news that is unbelievably realistic and seemingly normal; which is often, controversially, both condemned and yet condoned by the very same power brokers as and when it serves their purpose.

Intentional fake news, constantly and consistently drummed with conviction sometimes dons a garb of truth. These fabricated or pseudo-truths, alas, have been seen to produce the outcome for which they were invented, if we were to go by the Brexit vote as a random example. Unfortunately, many of us are disarmed against such guile and malice.

Add to this abomination, a horde of trolls, dedicated to bringing down anyone whose opinion runs counter to the perpetrators of fake news or any pet cause/personality. The dice is cast; for, the trolls play judge, jury and executor, all confounded in one!! The sole aim of their mudslinging orgy is to discredit the target of their wrath; for, in the deluge of crap that they spew out something sticks and the victim never comes out unscathed.

Compounding this further, is the manic of world political leaders to splay and banalise solemn state affairs in whimsical communication tweets with no retrospection for their consequences on the lives of millions. We are at the crossroads of a McDonald like consumerism in communications, where every tweet is followed instantly and intensely, interpreted in between lines for meanings perhaps even non-existent and gobbled gullibly with senseless aplomb.

These trends pose a problem for decision making, information being awash in a twilight zone spanning various tints of half-truths to blatant prefabricated ones. Market Intelligence based on Mosaic theory, which in itself is built on a premise of non-material non-public truths to draw inferences, is stumped.

The added dilemma facing decision makers today is not the mere puzzle-piecing of the relevant mosaic bits of truthful information as in the past, but to distil the truth from the shades of fabricated truths, if at all distinguishable. Worse still is the dilemma of discarding these pseudo-truths even when discovered, for, they could be a self-fulfilling prophecy of an outcome for which they were successfully invented.

Should one, therefore, be a seeker of truth, and what truth if it be or be a predictor of outcomes? Should or could we factor in **sustained** market sentiment in decision making, though it is whipped up and maintained by communicative illusions?

Well, it is said, that phrasing a problem is half the solution. So, we have come the steeper half way, and hope you will go the easier rest!

And in the meantime, if not anything, while taking a bus kindly tender exact change!!!

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

- ✚ *Research Challenge 2018/2019*
- ✚ *Speaker's Series Event: "Fair Value Estimates for Private Equity: Why are they important and how are they changing?"*
- ✚ *Speaker's Series Event: "Global Opportunities in a Mature Economic Cycle"*
- ✚ *Global Society Leadership Conference 2019*
- ✚ *The 72nd CFA Institute Annual Conference*
- ✚ *Mock Exam 2019*
- ✚ *Exam Lunch 2019*
- ✚ *Giving Voice to Values for Investment Professionals Program*
- ✚ *Ethics Workshop*
- ✚ *Media Presence*

Research Challenge, 25th February 2019

The Research Challenge Local Finals was held on the 25th February at Voila Bagatelle. The event was attended by participants, faculty advisers, industry mentors and charter holders. After the grading process, which accounted for 50% of the final score, the University of Mauritius Teams A and B, Charles Telfair Institute Team A and B qualified for the final presentation round. Each team had to present their research report on Ascencia Ltd in front of a judging panel of experts and answer questions. The winning team was University of Mauritius Team A who later participated in the Regional Finals in Zurich, Switzerland. The first runner-up was Curtin Mauritius Team A and the second runner-up was University of Mauritius Team B. The winners won the below prizes:

- Paid return air tickets to Switzerland for participation in Regional leg of Competition.
- Paid accommodation during stay in Switzerland.
- Team cash prize of Rs 50,000 from CFA Society Mauritius.
- Shield sponsored by Ascencia Ltd
- Goodies from Ascencia Ltd
- Certificate of Participation from CFA Institute

We would like to especially thank the Charter holders who volunteered their time and effort in mentoring the teams and grading the reports. We aim to kick-off the next season of the Research Challenge in the month of July, and we would appreciate your valuable help in making this a success yet again!



Speaker's Series Event: "Fair Value Estimates for Private Equity: Why are they important and how are they changing?", 19th March 2019

CFA Society Mauritius organised a speaker series event on Tuesday 19th March 2019 at Voila Bagatelle. The topic of the event was "Fair Value Estimates for Private Equity: Why are they important and how are they changing?". The guest speaker was Heleen Goussard, CFA, CA(SA), Head of Unlisted Investment Services at RisCura Solutions Pty Ltd. She elaborated on the different parameters to consider when performing the valuation of private equity investment and the recent changes in the International Private Equity and Venture Capital Valuation Guidelines that impact the valuation exercise. The event was attended by more than 50 investment professionals and was sponsored by RisCura Solutions Pty Ltd.



Speaker's Series Event: "Global Opportunities in a Mature Economic Cycle", 7th May 2019

The Society hosted a speaker's series event on Tuesday 7th May during which we had the privilege to hear from Pieter Fourie, CFA, Head of Global Equities, Sanlam Investments UK.

His presentation, entitled: "Global Opportunities in a Mature Economic Cycle" was of utmost interest and relevant in the prevailing investment environment whereby downside risks to an already weaker global growth outlook were on the ascendancy, and global asset allocators were facing a formidable challenge, especially given that many equity markets were once again trading close all-time highs.

After discussing the significant headwinds to global markets that he foresees for the remaining of 2019, the seasoned Fund Manager stressed about how one needs to focus on those companies that are well-positioned to benefit from long term secular trends, and which are trading below their estimated intrinsic value.

There were 50 attendees at the event, comprising of members, as well as professionals from the financial sector, regulators and corporate patrons.



Global Society Leadership Conference, 9th – 11th May 2019

The Global Society Leadership Conference 2019 was held from the 9th to 12th May in London. The theme for this year's conference was "*Building the Societies 2.0 World*". The conference marked an important milestone as a revised Principles of Partnership and Operating Framework was introduced. This framework better reflects the current relationship between CFA Institute and Member Societies, and how we will work together under Societies 2.0.

Alongside the core theme of the conference, it also featured a diverse range of workshops, consultations, and leadership interviews that were geared towards supporting societies' leaders to deliver value for their members. Among others, the key workshops and training themes were: Operationalising Your Strategic Plan, Conflict Resolution, Art of Social Influencing, Putting Thought Leadership to Use and ESG. The Conference also offered a unique opportunity to engage with CFA Institute staff and Society peers around the world for two days of networking and peer-to-peer learning.



The 72nd CFA Institute Annual Conference, 12th – 15th May 2019



The 72nd CFA Institute Annual Conference was held on the 12th to 15th May 2019 in London. The conference was well-attended with around 1900 investment professionals from all over the globe. CFA Society Mauritius was represented by Rajeev Hasnah, Jessica Ha Shun and Avikesh Loday. The theme of the conference this year was "Disruption: The New Reality in Investment Management" featuring several high-profile speakers with the likes of Professor Roger G. Ibbotson - Chairman of Zebra Capital Management LLC, Lorenzo Bini Smaghi - Chairman of Societe Generale, Peter Zeihan, a geopolitical strategist - President and Founder of Zeihan on Geopolitics and Daniel Pink – one of the best-selling nonfiction authors. The conference was well-balanced with a full range of investment-related innovative and disruptive topics as well as soft-skills "Beyond the Numbers" presentations such as Global Markets-Disruptions, Opportunities & Risks; The Future of Emerging markets;

The New World (Dis)Order; Brexit in Flux- Implications, Possibilities & Resolutions; Investing in Fintech, Digital assets and The potential of Artificial Intelligence; ESG - Putting Sustainability at the Heart of the Capital Markets; Career Development - Learning in Disruptive Times; Leadership Insights - Developing Your Presence, Power & Influence. Overall the conference featured global thought leaders who provided big-picture perspectives, innovative insights and broad outlooks on current issues of interest and offered opportunities to connect with like-minded people over refreshment breaks, lunches and social receptions.



Mock Exam, 1st June 2019

Intending to provide some support to the CFA candidates for this tough examination, the Society had organised a live mock exam for all three levels on Saturday 1st June 2019. The mock exam was organised in collaboration with Kaplan Schweser at the Middlesex University Campus in Flic en Flac. Some 28 candidates in all registered for the mock exams. The idea was to provide the candidates an opportunity to test their readiness in an exam-like environment. This initiative was started a few years ago, and we wish it will continue in the future.



Exam Lunch Event, 15th June 2019

The CFA exams were held on 15th of June 2019 at Swami Vivekananda International Convention Centre in Pailles. More than 300 candidates sat for the June 2019 exams. As is customary for each year, CFA Society Mauritius was present during the exams break and organised a society-sponsored lunch for all the candidates to show support to the candidates.



Giving Voice to Values for Investment Professionals Program

During February 2019, CFA Institute launched the pilot program of a new ethics education online course: *Giving Voice to Values for Investment Professionals*.

Giving Voice to Values (GVV) is an innovative approach to values-driven leadership development pioneered by Dr Mary C. Gentile. The traditional approach to teaching ethics focuses on ethical awareness and analysis to identify ethical issues and analyse how these issues should be addressed to avoid negative consequences. GVV goes beyond awareness and analysis to address how to take action to engage in changing ethical culture at firms truly. CFA Institute partnered with Dr Gentile and Nomadic Learning to bring the GVV approach to CFA Institute members and the investment industry.

Members of CFASM are encouraged to check out the program by visiting cfainstitute.nomadic.fm.

Ethics Workshop

We are pleased to announce that CFASM intends to host an Ethics Workshop during August 2019. The Workshop will be conducted by Ms Sonia Gandhi, CFA. Sonia is Director - Ethics Education & Professional Standards at CFA Institute. Further details will be communicated soon.

Media Presence

Representatives of the press were invited to our speaker events for the usual coverages. We have also seen a resurgence of job adverts for a CFA qualification in the press over the same period. There was the usual placed advertisement covering our Research Challenge which appeared on the 6th April issues of both *Le Mauricien* and *L'Express*.

THE MANAGEMENT COMMITTEE



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