

A world full of Black Swans?

Global financial crash, then QE2, global stock market rally, middle east revolutions, new regulations, Japan earthquakes... you name it, the surprises keep coming. The new normal seems to be a level of volatility in the affairs of men and hence stock prices that most of us have never seen. Throughout all of this sadness, loss of life and destruction of savings, I think there are two big conclusions we can draw, which are right at the heart of the CFA body of knowledge.

First, ethics and governance remain so important not just at company level but also at government and political levels. There is a lot of activity and training happening on these in Mauritius at the moment and we at SFAM will be participating in and giving our members access to these with special focus on investment firm issues.

Secondly, diversification is not just something for your individual stock investments. It means diversification of counter parties across any number of issues that pertain to your daily life and business. Some practical examples I note are that textile and garment makers in Mauritius are now again benefitting from their customers having over reliance on factories based in increasing cost areas like China or unstable middle east jurisdictions. In private banking and fund management, clients have also needed to diversify their holdings not just between investment managers, but across countries, custodians and clearing agents.

In fact one could say that all of the world is now becoming investment and risk managers as the failure of good governance and over concentration of risks hit not only savings and investment portfolios but also our everyday existence. I don't think I am being over dramatic here at all.

I hope you enjoy this issue and get a sense that the investment profession in Mauritius has to date weathered the global crisis well, is growing and continuing to invest in our future development.

Sincerely,

James Benoit, CFA
President, SFAM

CORPORATE PATRONS 2010 (DETAILS INSIDE)



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**31 January 2011—
designation of the Stock Exchange of Mauritius as a recognized stock exchange for tax purposes.**

The UK has designated the Stock Exchange of Mauritius as a 'recognized stock exchange' under section 1005 (1) (b) Income Tax Act 2007. Securities admitted to trading and listed on the Official Market of the Stock Exchange of Mauritius will meet the HMRC interpretation of 'listed' as set out in section 1005 (3) (a) and (3) (b) Income Tax Act 2007. With effect from January 2011, the Stock Exchange of Mauritius will also be regarded as a recognized stock exchange for Inheritance Tax purposes.

Mauritius Global Institutional Investors Forum (GIIF) now operational.

GIIF will work to counteract the potentially adverse effects of the Indian Direct Tax Code Bill. The GIIF will also deal with developing, protecting and enhancing other legislation that Mauritius requires as an international financial centre. The GIIF is a cross industry effort between banks, management companies and other international, institutional investors concerned to protect the competitiveness of our financial jurisdiction. It has a CEO and staffed office to drive its efforts.

Membership updates

We want to hear from you !!

As our membership list is nearly 50 and our members are important players in the local and regional financial centres, we believe your views will add value and have the potential to initiate some interesting discussion...and why not, ways to improve SFAM's services.

Thus we have decided to start a page to include letters from our members...whether you wish to discuss activities of SFAM, have any suggestions regarding the CFA exams and qualification, wish to discuss financial news (local & international), share interesting articles, we want to hear from you so send your mails to Charles on admin@mauritius.cfasociety.org

We, of course, reserve the right to publish the articles we deem appropriate for our readers.

Regarding membership, should you know any peers who would like to join us, please do not hesitate to communicate our contact details. We would be most happy to assist them with the process.

Mehz Pirbhai - Membership Chair

YOU CAN'T FIRE ME—I'M A VOLUNTEER!

ANONYMOUS VOLUNTEER

Upcoming Activities

We have lots of programming events coming up. Details and invites will follow but keep these in mind.

April. The start of a monthly briefing and interactive session on the stock market with one of the island's leading stock brokers and VIP speakers. SFAM members will get preferential access.

May. CFA Course Curriculum donation ceremony with University of Mauritius.

May/June. Visit of CFA Institute Asia Pacific Head to help promote the CFA program and Charter with key stakeholders, employers and regulators.

October. Three country African travelling conference with a variety of world class speakers in conjunction with CFAI EMEA region and two other countries.

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2011 EMEA Regional Meeting Feedback

Debate at EMEA Meeting - Spain

The SFAM participated in a debate at the Europe, Middle East & Africa Regional Meeting held between 3 and 5 March 2011 in Madrid, Spain. The debate took place in front of an audience of society leaders, staff, Chairperson Marg Franklin and governors of CFA Institute.

Bob Luck, the moderator and member of staff of CFA Institute, read the motion namely: 'This house believes that new regulations will inhibit innovation and reduce prosperity (versus new regulation was necessary and will reduce risk)'.

The proposers comprised of:

- Randhir Mannick, SFAM. He serves as Corporate Finance Manager at Rogers & Company Ltd; and
- Dan Meader, Vice President of the CFA Institute Board of Governors. He is the Managing Director of the Trinity Private Equity Group in the US

The opposers consisted of:

- Natalie WinterFrost, CFA UK. She works as the Client Director of Aberdeen Asset Management in the UK; and
- Pierre Cardon, CFA Institute Board of Governors. He is the Head of External Fund Management at the Bank of International Settlement.

The audience vote was taken before the debate and 53% of house voted against the motion. After the debate and questions and answers session were over, the motion was put to vote and was finally rejected.

'It was an enriching experience to discuss such a topical issue with renowned resource persons like Dan and Pierre. This has put SFAM in the limelight as the level of the debate was quite high.' commented Randhir Mannick.

Randhir Mannick, CFA
Education and Scholarship Chair

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About the Global Investment Research Challenge

The challenge gathers students, investment industry professionals, publicly traded companies and corporate sponsors together locally, regionally, and globally for a world competition. In order to promote best practices in equity research and company analysis, students research, analyse, and report on a company as if they are practicing analysts.

Local CFA societies host and launch an Investment Research Challenge in conjunction with the participating universities.

The universities assemble teams of 3-5 business and finance students who work directly with a company in researching and preparing a company analysis. The team's final presentations are locally evaluated by high-profile panels of heads of research, portfolio managers, and chief investment officers from the world's top firms. The local champions advance to regional competitions in the Americas, Asia, and Europe and then to the global finale.

Politecnico di Milano students win place in worldwide final of student investment competition

London, 8 March 2011 – The student team from Politecnico di Milano, representing Italy, has won the Europe, Middle East, and Africa (EMEA) regional final of the CFA Institute [Global Investment Research Challenge \(Global IRC\)](#), the worldwide university competition for the financial analysts of the future, which took place in Madrid, Spain.



Sponsored by the Italian CFA Society, the team of five finance students from Politecnico di Milano initially competed against twenty other teams from the EMEA region. Acting as financial analysts, Anna Belli, Francesca Maria Claudio, Nicolò Rolando, Giacomo Saibene, and Stefano Viganò, researched and reported on Piaggio, the Italian manufacturer of Scooter brands. Their presentation was judged by a panel of investment industry experts including Constantinos Papanastasiou, CFA; Renée K. Blasky, CFA; Enrique Marazuela, CFA; José Luis Pérez Estevez, CFA; Giuseppe Balloccchi, PhD, CFA. Imrith Ramtohol, CFA, Vice President of the Mauritian Society of Financial Analysts moreover acted as a panelist during the semi finals. The other finalist teams were students from Centro Internacional de Formacion Financiera, Stockholm School of Economics, and Copenhagen Business School, and the Italian team will face the winners from the Asia-Pacific, New York, and Americas regions at the global finale in Omaha, Nebraska, USA, on 8 April 2011.

The Global IRC competition is an educational initiative which was established to promote best practice in research among the next generation of financial analysts, and to provide students with an insight into the investment industry. Leading industry professionals mentor business and finance students for one year, guiding them on how to research and report on a publicly traded company, and presenting research results and recommendations to a high-profile panel of experts. Marks are awarded to teams on the basis of their investment case, their poise, and their ability to answer questions from the judges. The teams were sponsored by local CFA Institute member societies, each of which previously hosted country heats of the Challenge.

Commenting on the event, Nitin Mehta, CFA, managing director, CFA Institute (EMEA) said: "I warmly congratulate the winning team, and the dedication and efforts of all in the EMEA region has been immense. Now in its fifth year, the Global IRC has united a record number of 506 universities from 43 countries worldwide which makes this competition more exciting than ever before."

Barbara Valbuzzi, CFA, President, Italian CFA Society, added: "My warmest congratulations go to the students from Politecnico di Milano, they will carry the hopes of the diverse EMEA region as they enter the global finale. Their dedication to the competition, alongside their studies, is an achievement in itself and I hope that they will continue their learning upon graduation."

Imrith Ramtohol, CFA, SFAM Vice President

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CFA Scholarships

The SFAM has allocated eleven scholarships provided by CFA Institute under the Society Scholarship Program. Application was requested from interested candidates enrolled for Level I, II and III of the June 2011 Exam.

As promised, below is the list of the beneficiaries :

- Rajeev Hasnah
- Maheshwar Oodit
- Inayat Dookhan
- Dookhy Vikram
- Toyeshwar Loday
- Satyadershee Poorun
- Bushra Jowaheer
- Shameema Joolia
- Alvin Joyekurun
- Nurmahomed Abdullah
- Jean Noel Macaque
- Luvini Beeharry

SFAM wishes to congratulate all the Scholars and looks forward to the active participation of candidates and members in promoting the investment profession as well as SFAM upcoming activities and events.

Randhir Mannick, CFA
Education and Scholarship Chair

CONTINUING EDUCATION

The CE requirements are a long established professional development part of the CFA Charter Holder. This looks set to change, we understand, following news at EMEA conference. It is expected that CE credits will become mandatory at some point in the near future. We will bring you full details as we get them.

James Benoit, CFA
President

CORPORATE PATRONS 2010



**The CFA Institute Code of Ethics –
(Always worth repeating)**

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.*

*Practice and encourage others to
practice in an professional and
ethical manner that will reflect
credit on ourselves and the pro-
fession.*

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

*Maintain and improve my
professional competence and strive
to maintain and improve the com-
petence of other investment
professionals.*

The Management Committee office-bearers 2010

James Benoit, CFA PRESIDENT



James was a co-founder of the 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 Ramtohul, FCCA, CFA VICE-PRESIDENT



Imrith Ramtohul joined SFAM in 2006 and previously held the position of Assistant Treasurer (2007) and Treasurer (2008). He was appointed as Vice-President of the Society in 2009 and is also presently the Awareness/Programming Chair

Imrith is a CFA Charterholder and a Fellow Member of the Association of Chartered Certified Accountants UK. He also holds a Bachelor of Business Science (Honours) degree from the University of Cape Town. He is currently Head of Investment at Mauritius Union Assurance. Imrith has more than 10 years experience in the financial services sector both in Mauritius and abroad.

James Leung Yin Kow, CFA SECRETARY



James was the founding treasurer of SFAM from 2001-2005. Within the SFAM, he was President (2007) and VP (2008). He is a CFA charterholder since 2000.

James has a Honours Bachelor of Commerce from McMaster University, Canada in 1993 as well as a Master of Arts in Economics from York University, Canada in 1994. He was a stockbroker at Newton Securities from 1995 to 1998 before joining MCBIM in his current position of Fund Manager.

Mehzabine Pirbhai, CFA ASSISTANT SECRETARY



Mehz qualified as a CFA Charterholder and joined SFAM in 2009 as Assistant Secretary. She has a Bachelor of Business Science (Finance) and Honours in Financial Management from the University of Cape Town, Republic of South Africa. She presently holds the Membership Chair.

Mehz has been in the banking sector for over 9 years, her experience being geared towards Treasury, Corporate Banking and International Project Finance. She was previously handling a large portfolio of clients operating in various industries as part of her relationship management duties within the International Division of the MCB Ltd.

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The Management Committee office-bearers 2010

Deepa Jhamna, CFA TREASURER



Deepa joined the 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 before recently joining the Indian Ocean Real Estate Company Ltd, a newly incorporated joint venture between Groupe Mon Loisir and Actis, as Investment Principal.

Craig Downes, CFA ASSISTANT TREASURER



Craig is a charterholder since 2008 and joined SFAM later the same year. He is also a member of the CFA society in South Africa.

Craig graduated from the University of Cape Town with a Bachelor of Business Science in the special field of Finance. Currently he holds the role of Chief Operating Officer and Director of Multiconsult Limited, a company providing professional services to offshore companies and funds in Mauritius. He is also a director of Cim Asset Management. Previously he worked in private banking and fund administration.

Randhir Mannick, CFA GENERAL MC MEMBER



Randhir has been a member of the Society of Financial Analysts of Mauritius (SFAM) since the launch. He has occupied different posts in the past including President, Treasurer and Secretary and is presently the Education and Scholarship Committee Chair.

He holds the Chartered Financial Analyst designation, an Master of Business Administration and a BA Honours in Economics. He has more than eleven year experience in the investment industry and has been appointed as Manager – Corporate Finance at the Rogers & Co Ltd since August 2007.

Prem Beejan, ADVOCACY 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.