

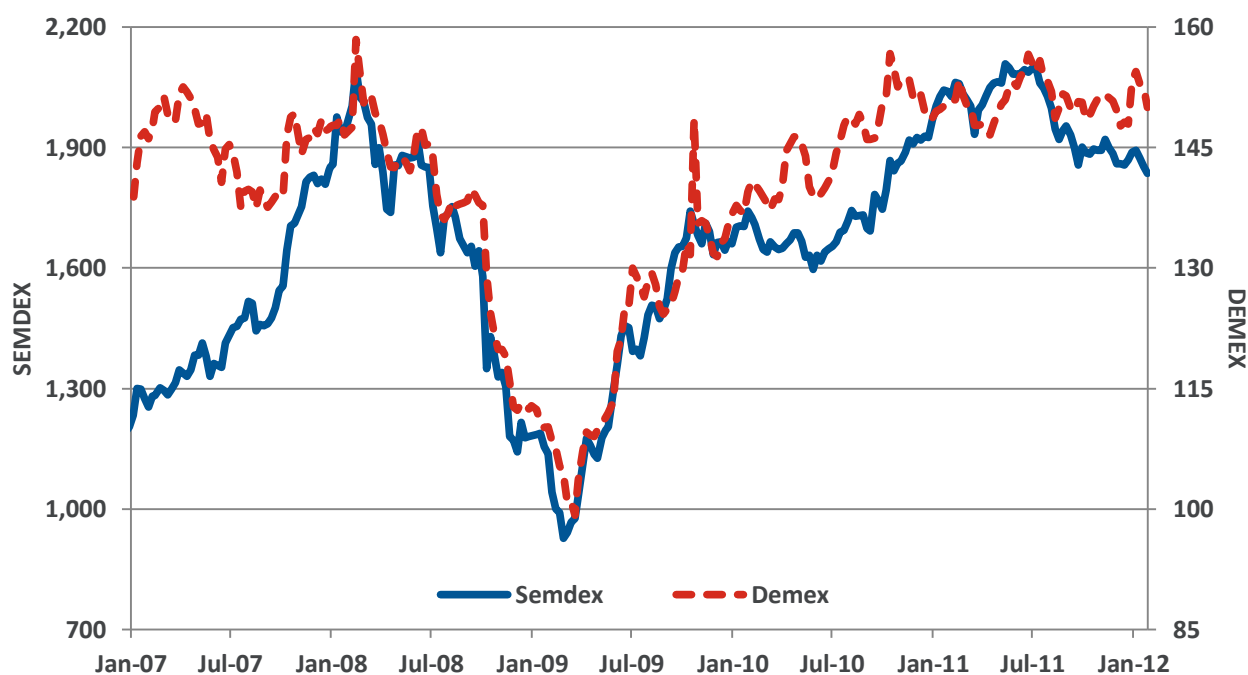
# INVESTMENT OUTLOOK

January 27, 2012



## Official Market Indicators

Official Market			Week Ended		Change		
			27-Jan-2012	20-Jan-2012	1 Week	YTD	52 Week
SEMDEX		▼	1,835.39	1,852.89	-0.94%	-2.81%	-9.44%
SEM-7		▼	342.68	345.14	-0.71%	-2.19%	-11.35%
SEMTRI (MUR)		▼	5,521.79	5,574.42	-0.94%	-2.68%	-6.76%
SEMTRI (USD)		▼	2,919.70	2,937.64	-0.61%	-2.68%	-4.88%
Market Cap	MUR bn	▼	167.53	169.13	-0.94%	-2.32%	-8.78%
Value Traded	MUR m	▼	113.89	145.62			
Net Foreign Purchases	MUR m	▲	-7.78	-9.97			
Market PER	x	▼	11.61	11.72	-0.94%	-3.42%	-20.56%
Market Dividend Yield	%	▲	3.02	2.99	0.95%	2.87%	24.75%



## DEM Market Indicators

Dev & Enterprise Market			Week Ended		Change		
			27-Jan-2012	20-Jan-2012	1 Week	YTD	52 Week
DEMEX		▼	149.96	152.52	-1.67%	-2.12%	-0.57%
DEMTRI (MUR)		▼	171.55	174.47	-1.67%	-1.88%	1.23%
DEMTRI (USD)		▼	182.48	184.96	-1.34%	-1.88%	3.28%
DEM Market Cap	MUR bn	▼	57.50	58.47	-1.67%	-2.12%	
DEM Value Traded	MUR m	▲	35.11	22.96			
DEM Net Foreign Purchase	MUR m	▲	1.42	0.33			
DEM PER	x	▼	24.36	24.77	-1.67%	-2.59%	
DEM Dividend Yield	%	▲	2.36	2.32	1.70%	2.66%	

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## Weekly Market Summary & Highlights

### Another Bearish Week

While the EUR is hovering at 5¼Yr-Lows against the MUR; contrary to local media portrayal of a free-falling EUR, the MUR has in fact depreciated by 0.4% against the EUR since the start of 2012. The fear of lower export and tourism revenue due to the single currency's weakness coupled with the Minister of Finance's – unsurprising – declaration that GDP growth rates for 2012 would be revised downwards drove the Semdex to a 15ML 1,835.4pts (-0.9%).

Among the banks, MCB traded at a flat Rs165 all week while SBM fell to Rs79.50 (-1.2%) on the back of foreign driven selling pressures. SWAN witnessed noteworthy crosses at Rs312 (±0%), MEI recouped its intra-week Rs2-drop to closed unaltered at Rs76, while MUA improved by Rs1 to Rs122. MLC continued its WoW yo-yo, this time, decreasing to Rs8 (-5.9%).

All of GAMMA, IBL, INNO, PBL, Rogers and UBP were highly traded during the week at respective VWAPs of Rs364 (±0%), Rs79.95 (-0.1%), Rs40.50 (-1.2%), Rs199.21 (-4.2%), Rs330 (-3.8%), and Rs114 (±0%). INNO and PBL closed above their VWAPs at Rs40.80 (-0.5%) and Rs201 (-3.4%) respectively. SHELL unsurprisingly gave up Rs1 to Rs161, MOR edged down by 40 cents to Rs26.60, and MCFI by 20 cents to Rs42. On the DEM, SODIA plunged to All-time low Rs1.35 (-3.6%).

Investment stocks were mostly traded in narrow range. POLI inched up by 5 cents to Rs8.80, and FINC picked up 10 cents to Rs20.60 while NITL gave up 30 cents to Rs30.50 and ENLC 20 cents to Rs24.40. PAD fell the steepest with its Rs2-drop to Rs89. Among their DEM-listed peers, UTIN plunged to Rs8.80 (-6.4%) in the wake of the trading of its rights, and CIEL nose-dived to a 3Yr-low Rs2.90 (-4.9%).

Hotel groups plunged for the 3rd straight week. Nevertheless, investors appear increasingly attracted by SUN's and LUX's low levels, as best exemplified by the high volumes crossed on the counters on Thursday and Friday. SUN and LUX plunged by 4.7% and 5.2% respectively to Rs41 and Rs22.10, and NMHL dropped down to Rs76 (-1.3%). MK also remained weak slipping to Rs13.40 (-0.7%) while ASL increased by Rs2 to Rs109 (+1.9%) following last week's dividend declaration. As for DEM-Listed CHSL, it plunged to All-Time Low Rs29.10 (-3.0%). [CHSL had joined the DEM at Rs30]

Sugars were highly traded during the week. ENLL – propped by foreign demand – was exchanged at a level Rs42.30, while OMNI dropped by Rs1 to Rs71. On the DEM, MEDL(P) fell to 2YL Rs78 (-4.9%), volatile-FUEL closed at Rs143 (-3.4%) and DRBC(O) tumbled down to Rs470 (-6.0%).

Foreign investors were little active on the SEM representing less than 11% of total value traded. Purchases of Rs8.6M against sales of Rs16.4M resulted in a net outflow amounting to Rs7.8M. NFS were recorded on NMHL, MCB and SBM to the tune of Rs1.3M, Rs4.8M and Rs6.9M, while ENLL interestingly noted NFP worth Rs3.1M.

The only Official List limbers were: FINC (+0.5%), POLI (+0.6%), MUA (+0.8%) and ASL (+1.9%); while the sharpest drops were noted on: PBL (-3.4%), ROGE (-3.8%), SUN (-4.7%), LUX (-5.2%) and MLC (-5.9%).

## News of the Week

The **Federal Reserve** published its first detailed projections on interest rates, and said it would keep rates near zero until at least late 2014. The forecasts are meant to bring transparency to the Fed's policy on setting interest rates, though some are worried about the market reaction should it have to deviate from its projections.

# INVESTMENT OUTLOOK

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## Weekly Official Market Movements

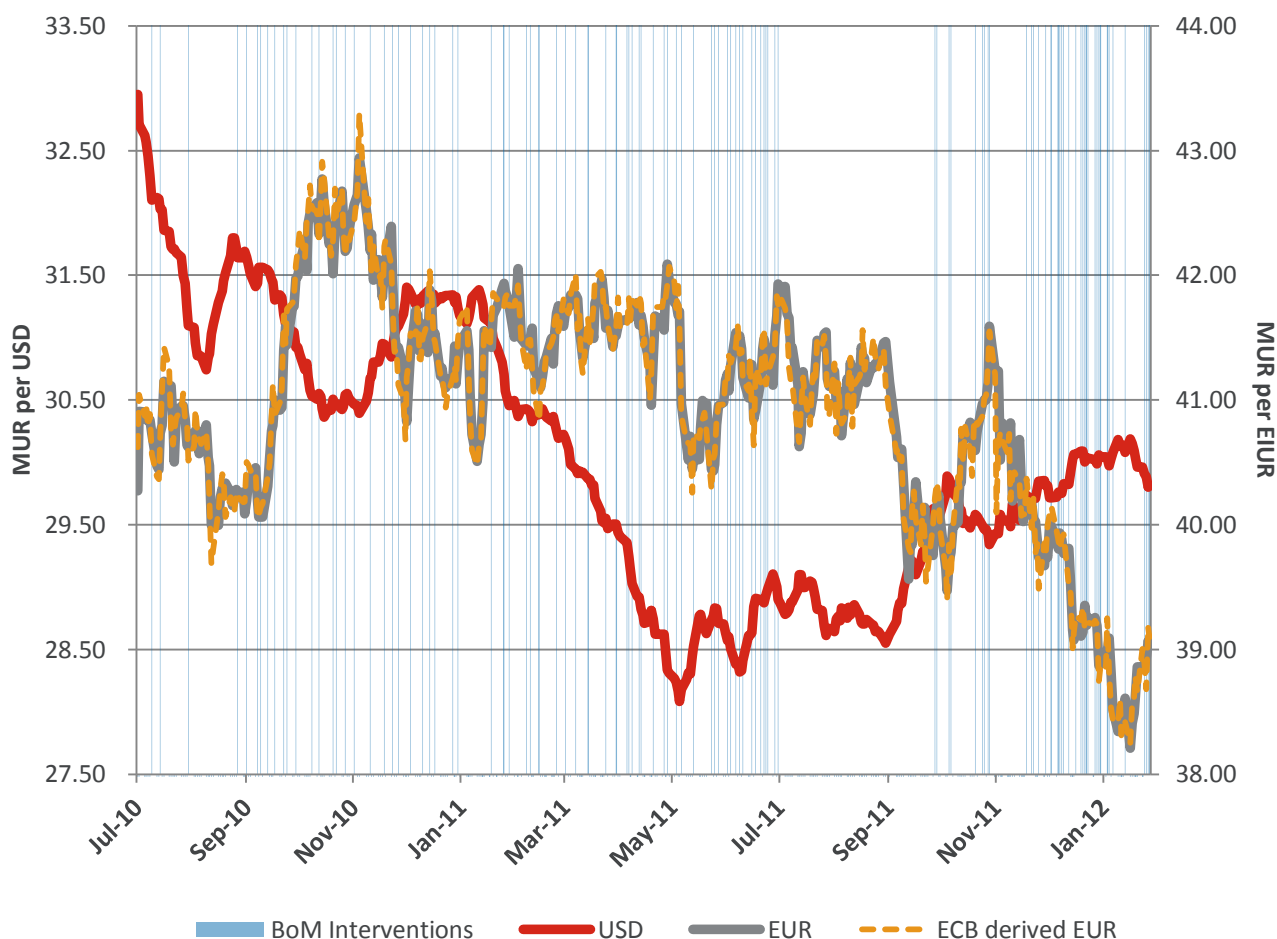
Official Market												
		Week Ended		Change			52-Wk		As at 27-Jan-12			
		27-Jan	20-Jan	1 Wk	YTD	YoY	High	Low	PER	DY	PBV	ROE
<b>SEMDEX</b>	▼	1,835	1,853	-0.9%	-2.8%	-10.1%	2,114	1,835	11.6	3.0	10.1	10.1
MCB	—	165.00	165.00	0.0%	-1.2%	-6.3%	190.00	161.00	8.7	3.5	1.7	19.3
SBM	▼	79.50	80.50	-1.2%	-5.4%	-17.2%	98.50	79.50	10.2	3.8	1.6	15.2
MEI	—	76.00	76.00	0.0%	2.7%	-0.7%	86.00	70.00	10.4	2.8	1.2	12.0
MUA	▲	122.00	121.00	0.8%	0.0%	-20.3%	153.00	115.00	6.6	4.1	2.2	32.9
SWAN	—	312.00	312.00	0.0%	-1.0%	2.3%	325.00	292.00	12.2	2.7	1.9	16.0
MLC	▼	8.00	8.50	-5.9%	-0.6%	17.6%	9.00	5.80	160.0	0.0	5.3	3.3
CMPL	—	19.00	19.00	0.0%	0.0%	-19.1%	23.50	19.00	14.3	3.2	0.5	3.5
HML	—	178.00	178.00	0.0%	-6.8%	-19.5%	250.00	178.00	12.6	2.2	1.1	8.6
INNO	▼	40.80	41.00	-0.5%	2.5%	34.7%	42.00	30.30	8.0	3.9	1.1	14.0
IBL	—	80.00	80.00	0.0%	2.6%	6.7%	82.00	73.50	11.3	2.6	1.5	13.1
ROGERS	▼	330.00	343.00	-3.8%	1.5%	8.2%	389.00	274.00	21.2	2.1	0.9	4.3
SHELL	▼	161.00	162.00	-0.6%	0.0%	7.3%	170.00	137.00	14.5	6.9	8.5	58.8
MK	▼	13.40	13.50	-0.7%	-16.3%	-30.2%	22.00	13.40	3.3	3.7	0.4	10.8
PBL	▼	201.00	208.00	-3.4%	1.5%	-0.5%	220.00	190.00	20.1	3.3	1.5	7.5
MCFI	▼	42.00	42.20	-0.5%	-3.0%	10.5%	47.50	38.00	11.0	2.4	1.2	10.7
MOR	▼	26.60	27.00	-1.5%	-2.2%	-1.5%	28.80	25.50	13.6	5.1	1.9	14.4
MSM	—	13.00	13.00	0.0%	-3.7%	-23.5%	17.80	13.00	—	0.0	1.0	—
PIM	—	82.00	82.00	0.0%	0.0%	-4.7%	92.00	81.00	10.4	4.6	1.6	15.6
GAMMA	—	364.00	364.00	0.0%	-8.5%	21.3%	485.00	300.00	7.5	1.8	2.9	38.5
UBP	—	114.00	114.00	0.0%	-2.6%	-16.8%	145.00	114.00	12.8	2.4	1.5	11.9
BMHL	—	205.00	205.00	0.0%	0.0%	-0.5%	215.00	201.00	31.6	2.9	0.6	2.0
CAUD	—	1.45	1.45	0.0%	-3.3%	-31.0%	2.10	1.45	24.2	2.8	0.4	1.7
FINC	▲	20.60	20.50	0.5%	0.5%	5.6%	27.00	19.40	98.1	1.0	0.7	0.7
ENLC	▼	24.40	24.60	-0.8%	-4.7%	-8.6%	28.40	22.00	8.4	5.3	0.7	8.1
MDIT	—	5.30	5.30	0.0%	-1.9%	-17.8%	6.65	5.15	40.8	6.6	1.4	3.5
NITL	▼	30.50	30.80	-1.0%	-1.6%	-16.4%	38.00	30.40	305.0	0.0	0.4	0.1
PAD	▼	89.00	91.00	-2.2%	-2.2%	-15.2%	108.00	86.00	97.8	1.1	0.5	0.5
POLI	▲	8.80	8.75	0.6%	-0.6%	-12.0%	10.00	8.60	13.5	5.7	1.1	8.5
TERRA	—	38.70	38.70	0.0%	1.3%	3.2%	39.10	36.50	35.2	2.1	0.8	2.2
UTDL	—	95.00	95.00	0.0%	-1.0%	-24.0%	127.00	95.00	—	0.0	0.5	—
ASL	▲	109.00	107.00	1.9%	1.9%	-9.2%	137.00	107.00	17.0	3.2	10.1	59.5
NMH	▼	76.00	77.00	-1.3%	-6.7%	-32.7%	118.00	73.00	16.9	2.6	1.0	6.0
LUX	▼	22.10	23.30	-5.2%	-15.0%	-15.0%	34.00	22.00	315.7	0.0	0.8	0.2
SUN	▼	41.00	43.00	-4.7%	-13.9%	-31.7%	67.50	41.00	16.7	2.7	1.1	6.6
OMNI	▼	71.00	72.00	-1.4%	-3.4%	-4.7%	75.00	66.00	19.1	3.9	0.8	4.4
ENLL	—	42.30	42.30	0.0%	0.2%	92.8%	46.60	41.00	5.2	1.4	0.8	14.8
GOLI	—	0.10	0.10	0.0%	11.1%	N/A	10.54	0.08	—	0.0	1.0	—
DALE	—	15.80	15.80	0.0%	0.0%	-24.8%	21.00	15.80	—	0.0	0.7	—

# INVESTMENT OUTLOOK

January 27, 2012

## Domestic FX Market Watch

The Bank of Mauritius intervened on every day of this week on the domestic foreign exchange market to purchase a total of \$4.85M at a VWAP Rs29.2453.



## Foreign Stock Exchange Indicators

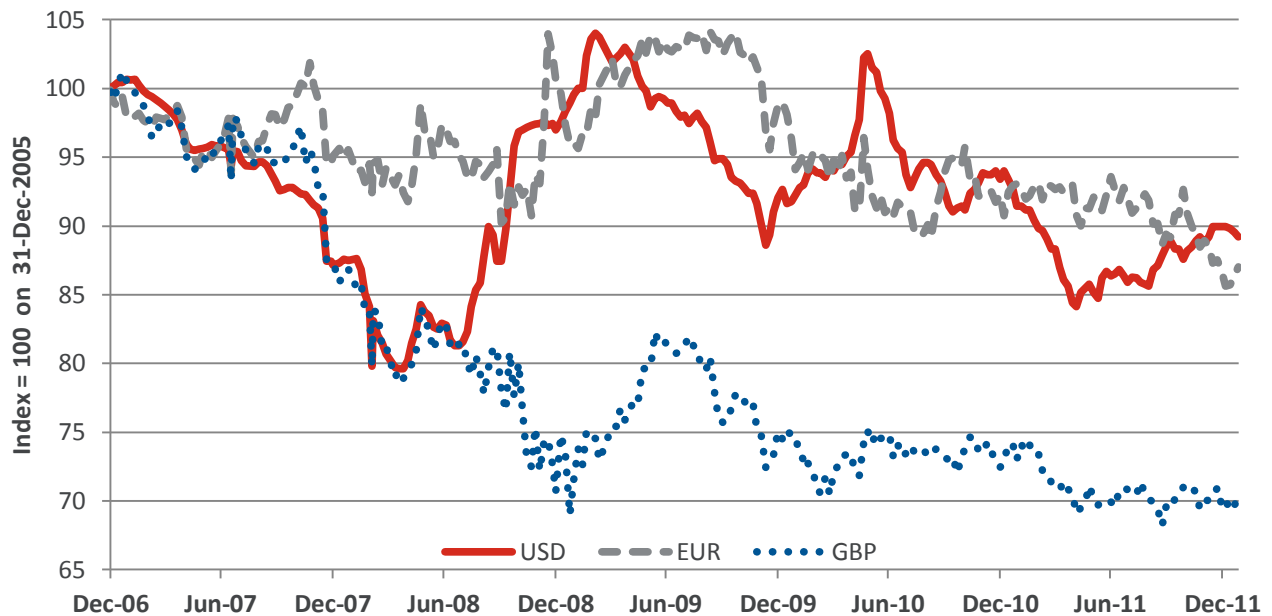
International Indices		Week Ended			Change	
		27-Jan-2012	20-Jan-2012	1 Week	YTD	52 Weeks
DOW JONES	▲	12,734.63	12,623.98	0.88%	3.64%	6.21%
NASDAQ	▲	2,805.28	2,788.33	0.61%	7.33%	1.81%
FTSE 100	▲	5,795.20	5,741.15	0.94%	4.10%	-2.85%
CAC 40	▲	3,363.23	3,328.94	1.03%	7.54%	-17.15%
ALL ORD	▲	4,348.48	4,303.00	1.06%	5.78%	-10.75%
NIKKEI 225	▲	8,841.22	8,766.36	0.85%	4.56%	-14.66%
HANG SENG	▲	20,501.67	20,110.37	1.95%	11.21%	-13.19%
BSE 30	▲	17,233.98	16,729.77	3.01%	11.51%	-6.32%

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## Forex Rates



Currencies		Week Ended			Change	
		27-Jan-2012	20-Jan-2012	1 Week	YTD	52 Weeks
MUR / USD	▼	29.80	29.90	-0.33%	-0.83%	-2.45%
MUR / EUR	▲	39.11	38.83	0.74%	0.41%	-6.49%
MUR / GBP	▲	46.80	46.39	0.88%	0.89%	-3.68%
MUR / ZAR	▲	3.85	3.80	1.32%	3.77%	-12.10%
MUR / AUD	▲	31.86	31.34	1.66%	3.71%	4.98%
MUR / 100 JPY	▼	38.99	39.08	-0.23%	-0.13%	5.29%

## Contacts & Disclaimers

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