

DSP BlackRock World Gold Fund

June 2010

FOR PROFESSIONAL INTERMEDIARIES ONLY

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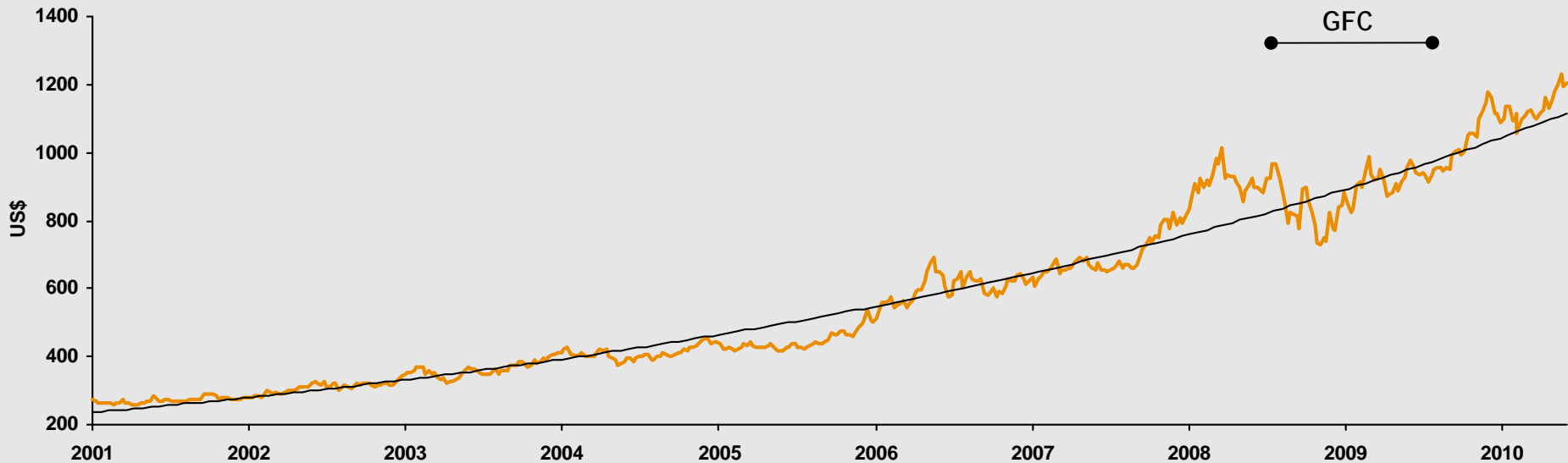
Accessing one of the Largest Funds in its category* with a 15 year Performance Track Record



Why does Gold have Good Long-term Fundamentals?

Gold Market

Gold Price US\$/oz

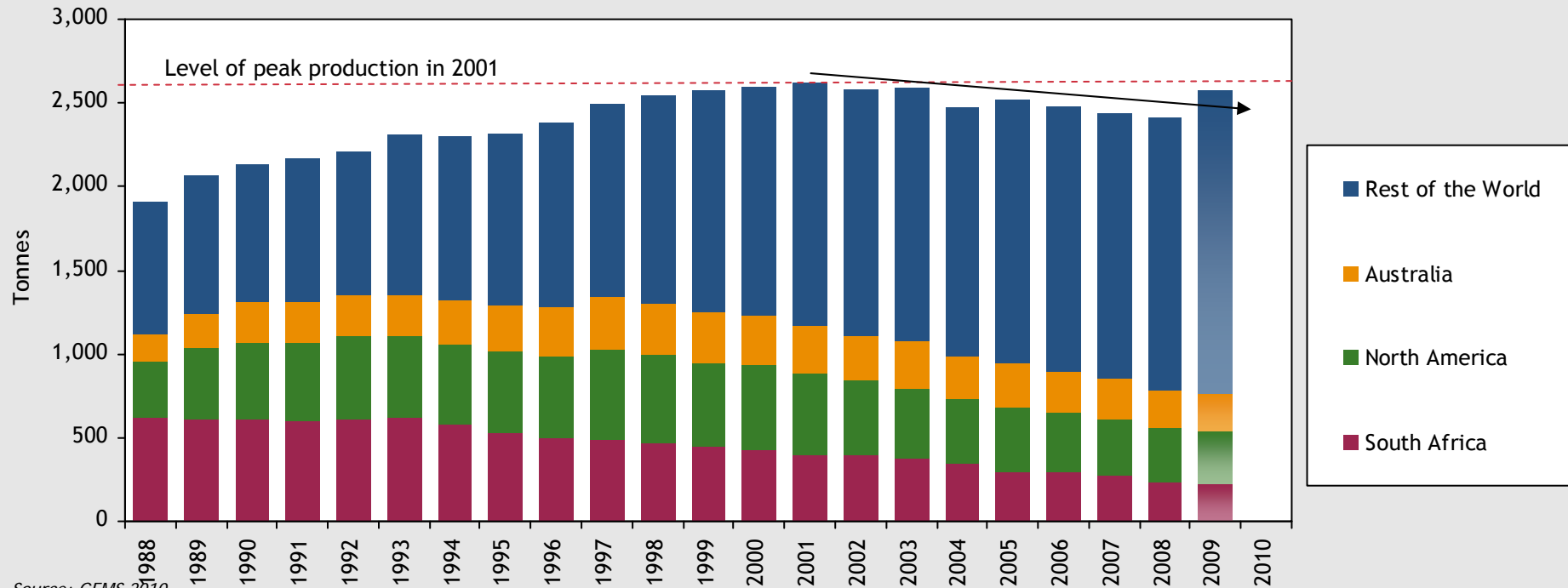


Source: DataStream, as at 31st May 2010

- Gained 27% in 2009 (in US\$ terms)
- Gold has been in a bull market since 2001
- Financial crisis accelerated an already upward trend
- Driven by strong supply as well as demand fundamentals

A stagnant industry

World Gold Mine Production, 1988-2009

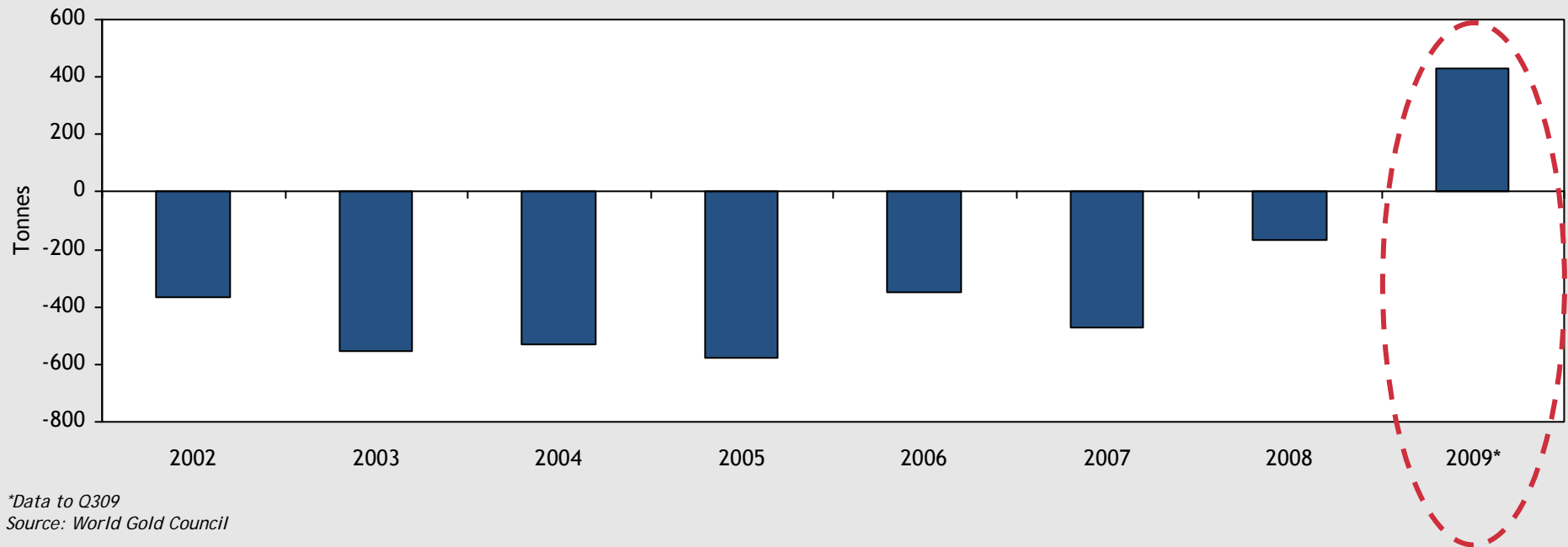


Source: GFMS 2010

- Mine production peaked in 2001; 2008 production was the lowest level since 1996
- In 2009 mine supply increased by 6% owing to new mine start ups and improving economics for existing production
- This rate of growth does not appear to be sustainable
- Number of world's largest gold mines are approaching the end of their lives and grades across the industry are falling
- We estimate total cost of production (exploration, development and mining) c.US\$900/oz

Central bank selling declining

Change in Official Sector Gold Reserve Holdings 2002-2009

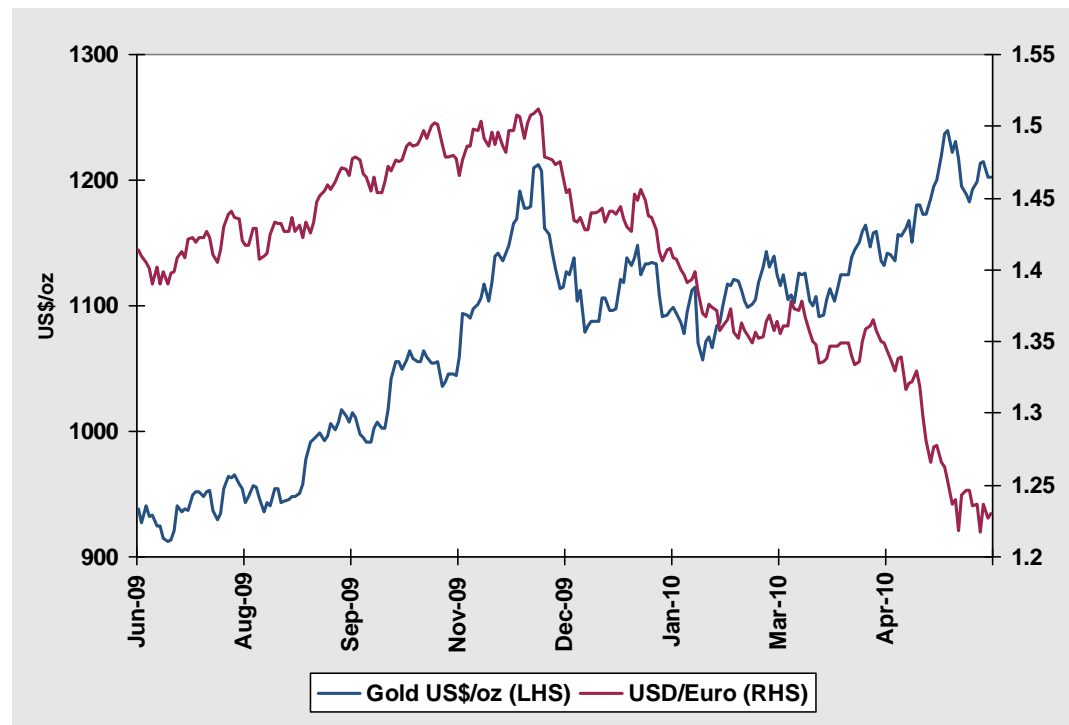


- China - announced increase of gold reserves from 600t to 1,054t
- Central Bank Gold Agreement - renewed for a further 5 years with a lower limit and inclusive of IMF disposal
- India - purchased 200t from the IMF off-market

Strategic shift in attitude of Central Banks to gold - positive

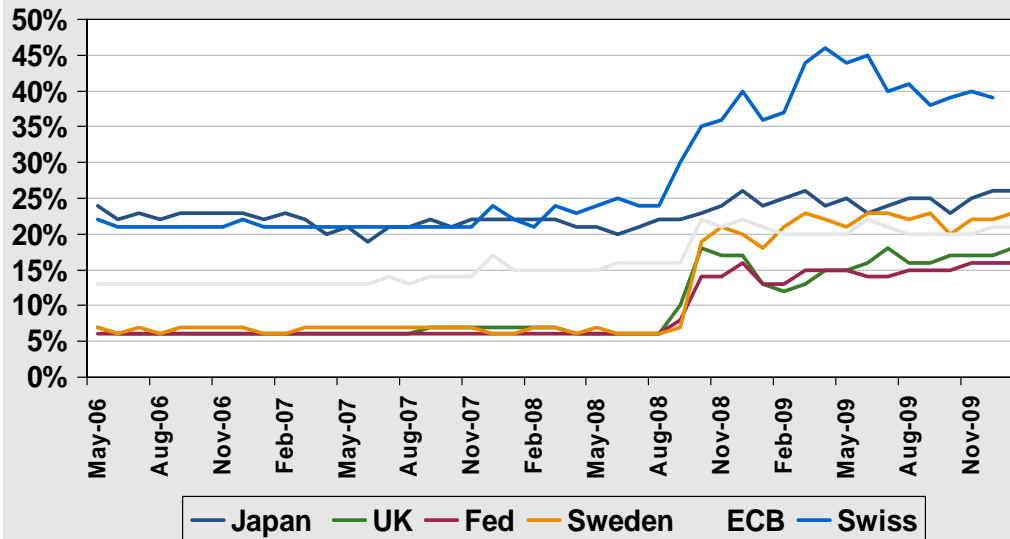
Gold's importance as an alternative currency

- Concerns remain about the long term sustainability of the US Dollar as the default global reserve currency
 - China recently sold over \$34bn of US Treasuries and is no longer the largest holder globally
- Gold price reached new highs in € terms on continued sovereign debt concerns in Europe
 - Observed a disconnect of the gold price vs. Euro / USD rate
 - 10 year correlation* of 0.83 vs. last 6 months at -0.57

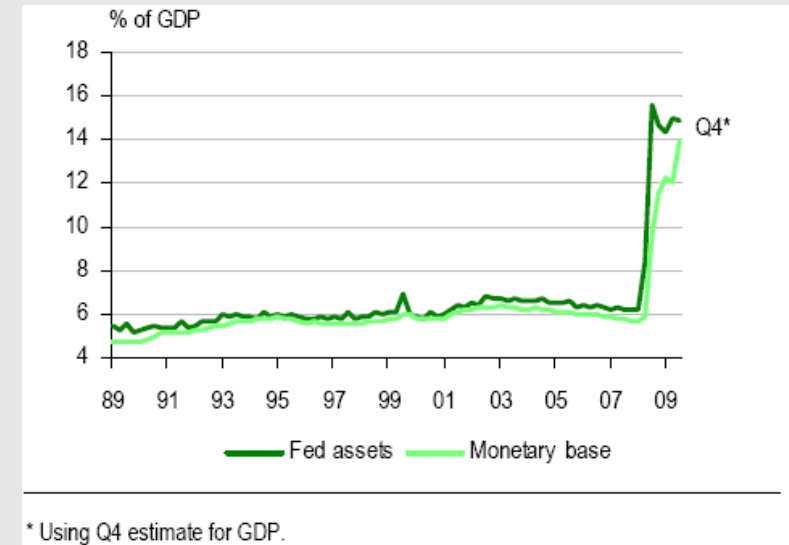


Gold's Rise Against a Backdrop of Fiscal Uncertainty

Central Bank's Balance Sheet as % of GDP

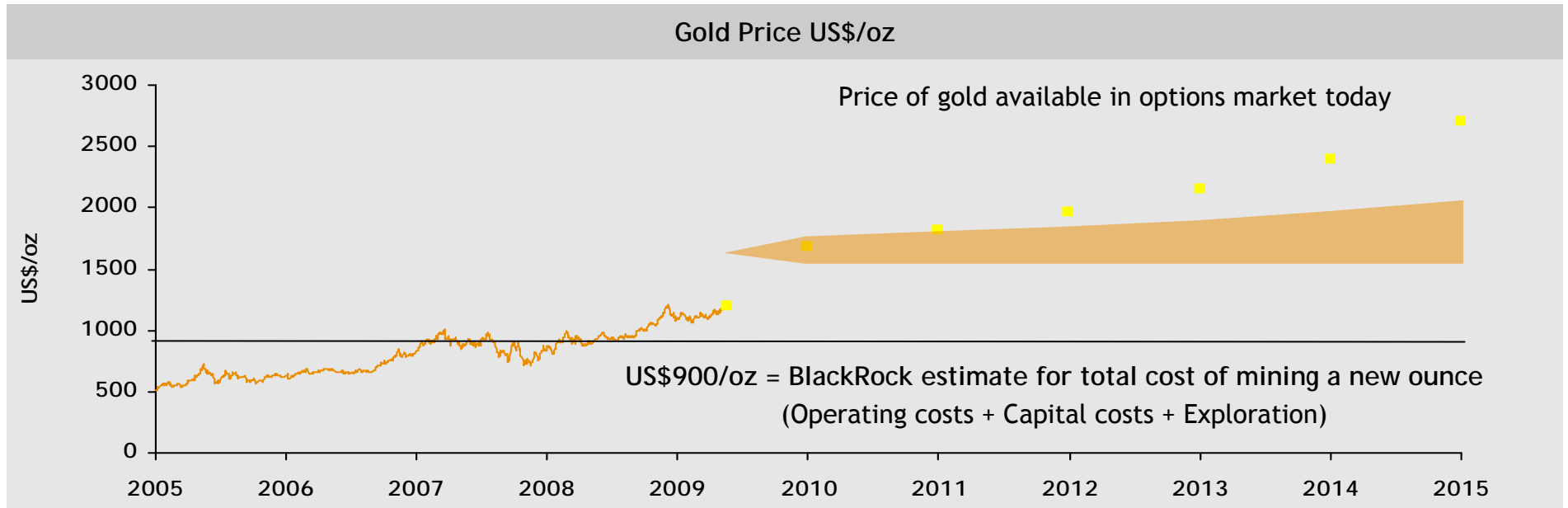


Fed's balance sheet & monetary base



- Uncertainty created by expansion of Central Bank balance sheets
- Gold is a natural hedge against the potential inflationary outcomes from these asset purchase programmes
- Skewed risk is evident in the options market - upside exposure is more expensive than downside protection

What are Gold Options Telling Us?



Support for current gold price

- Stagnant mine supply
- Improving jewellery demand
- Reduced European Central Bank selling

Upside risk

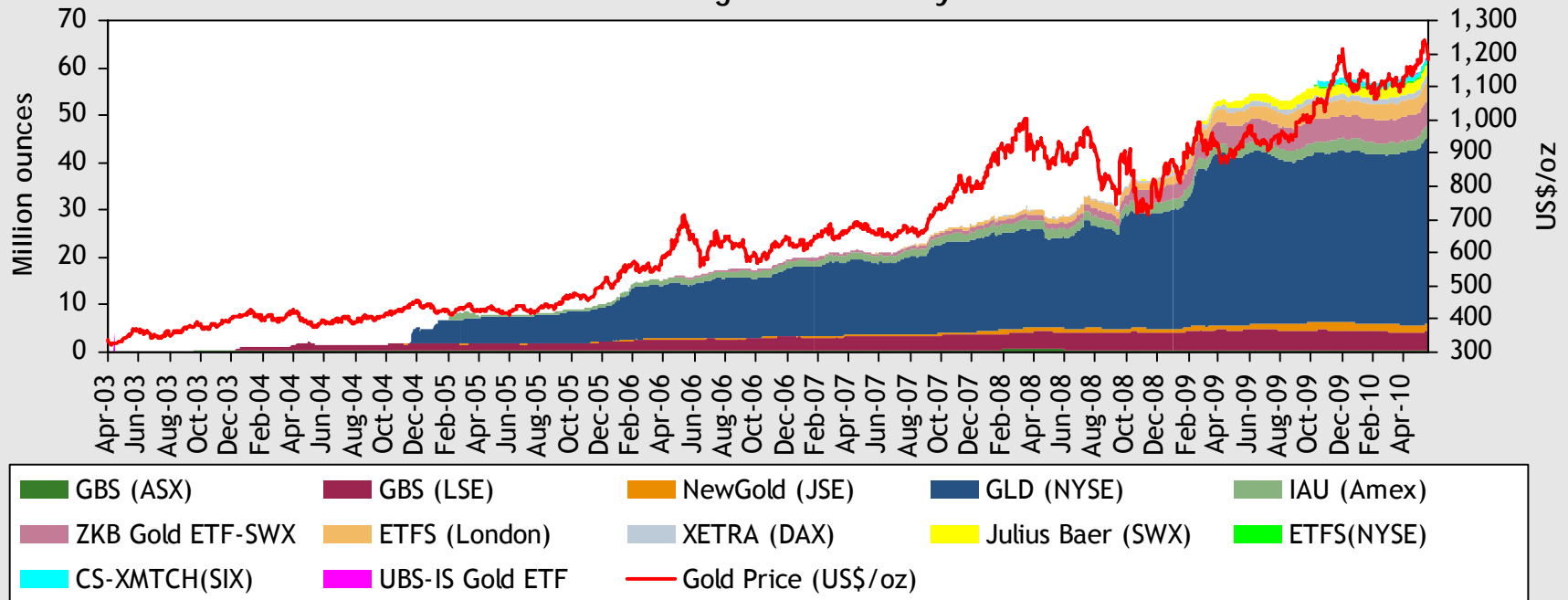
- Emerging Market Central Bank purchases
- Increasing inflation expectations
- Risk diversification

Source: Datastream and Mocatta, May 2010

Investment demand - key drivers

- US dollar concerns
 - Current account deficit in the US stands at US\$706bn
- Inflationary concerns
 - The impact of quantitative easing
- Portfolio diversifier
 - Low correlation to both equities and fixed income

Amount of gold backed by ETFs



Source: UBS. Data as at 20 May 2010

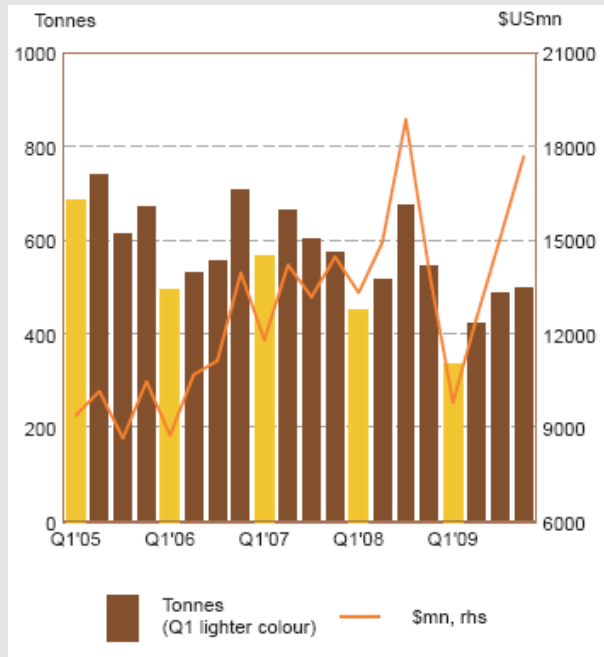
2009 World Gold Council - Demand Trends

Recovery in jewellery demand with strong q-o-q gains

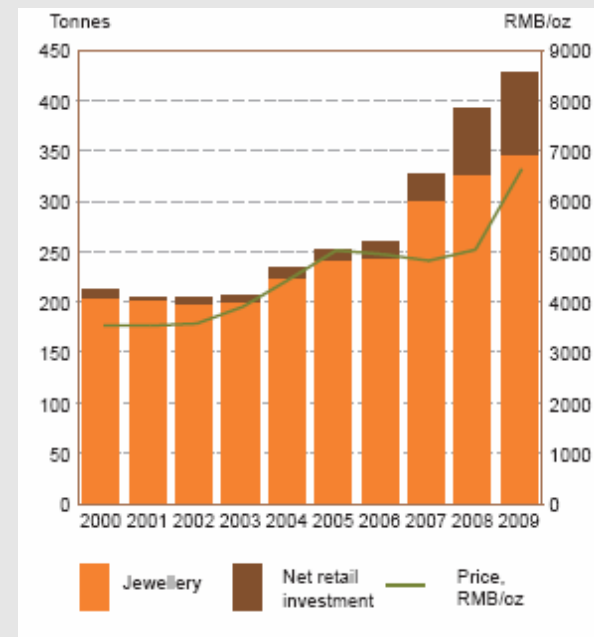
- Driven by rebound in Indian demand

Chinese investment demand and jewellery demand continued to grow

Global gold jewellery demand



Chinese gold jewellery and investment demand





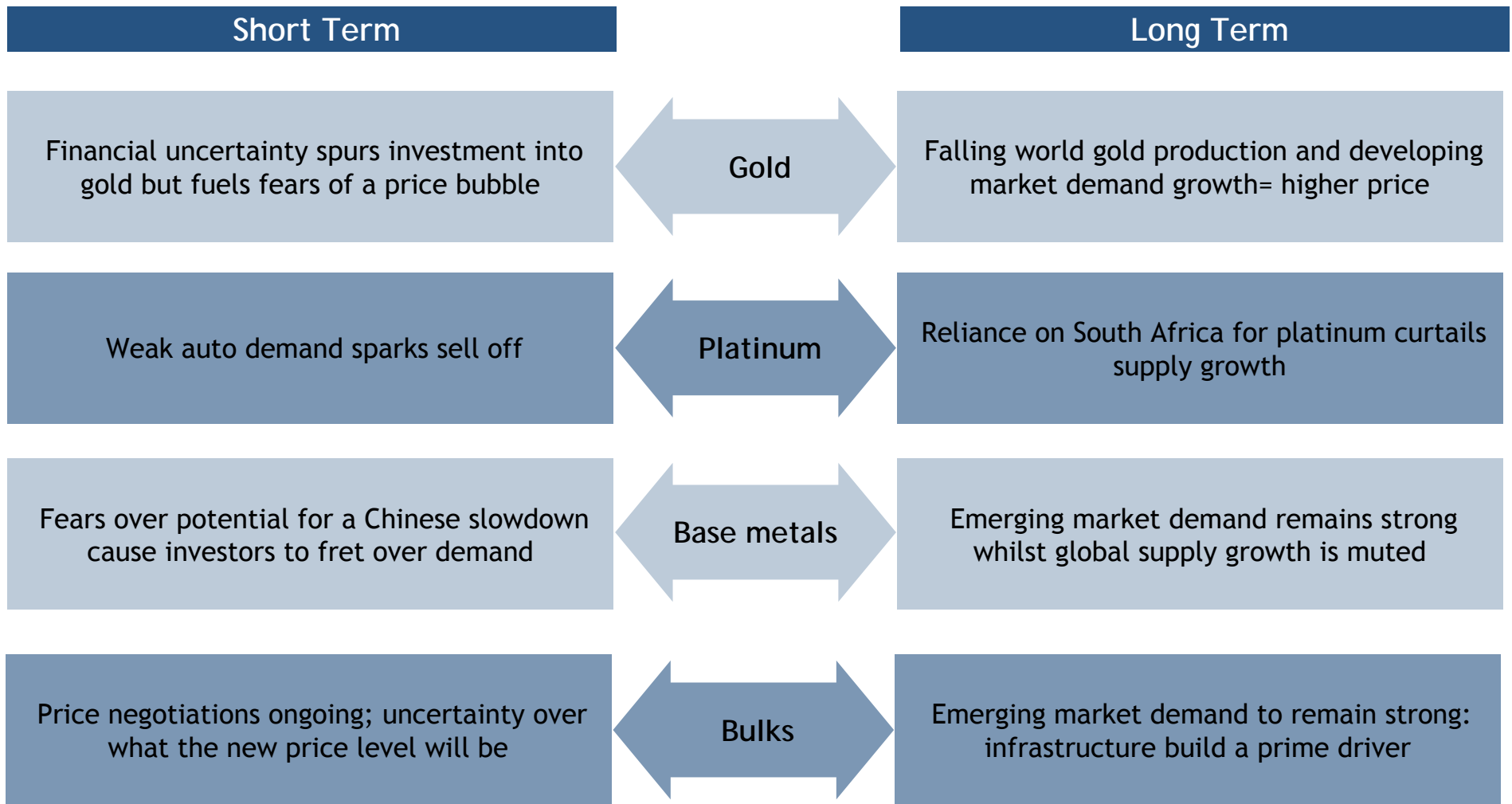
Investing in shares of Gold Mining Companies

Why Gold Equities?

Given a positive outlook for gold, there are 4 key reasons to hold equities

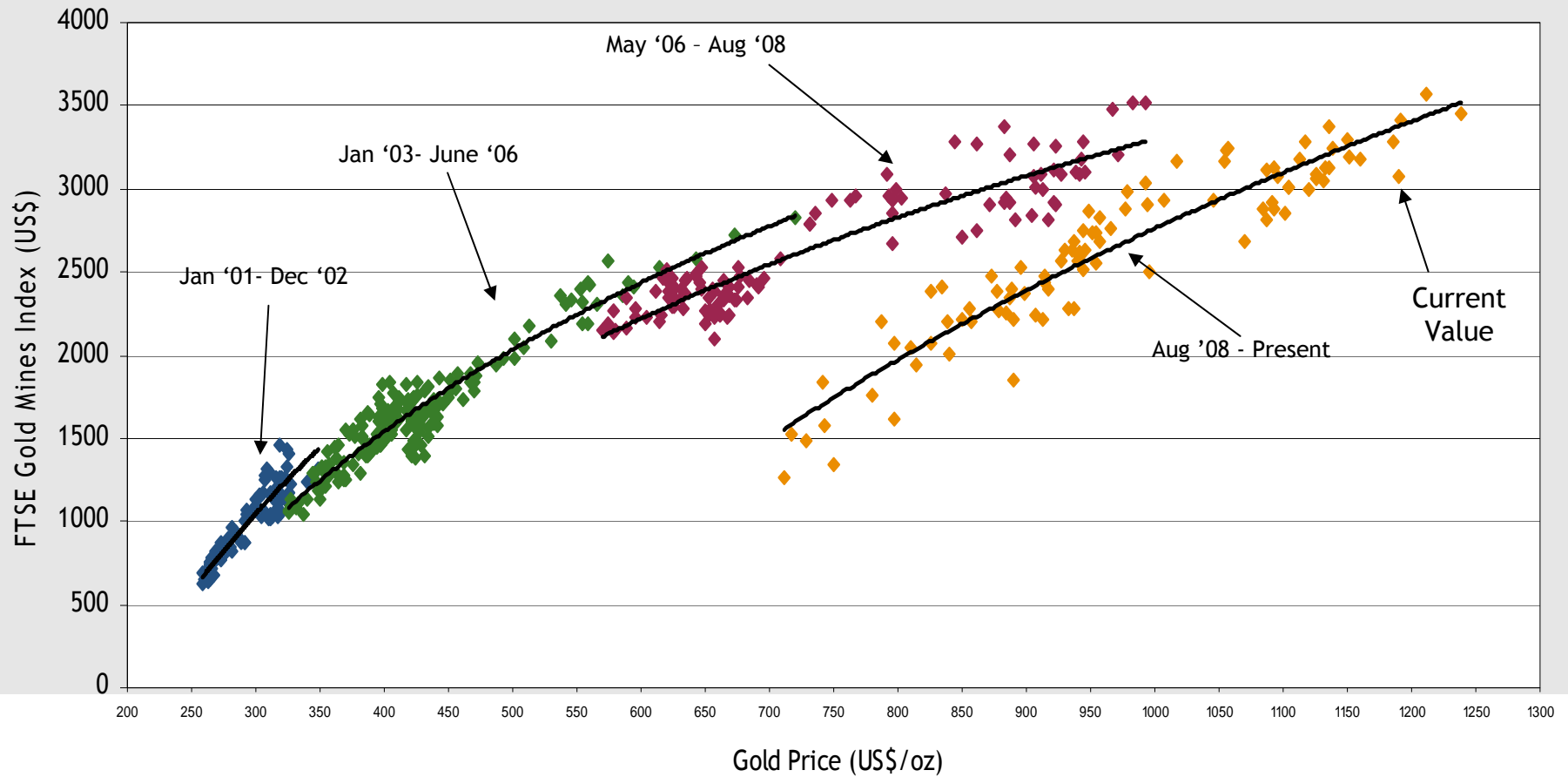
- (1) Operational leverage returned
 - Cost inflation abated so improved outlook for margins
- (2) Exposure to production growth and exploration upside
 - Companies can add value executing their production growth profile and drilling new resources
- (3) Potential for dividends
 - Seen companies instate or raise dividends post Q2'09 results e.g. Harmony, Newcrest
- (4) Gold equities have a high correlation with the gold price therefore same diversification benefits

The Investor Dilemma - To Invest Or Not To Invest?!



Relationship between gold equities & gold price

Gold & Gold Shares



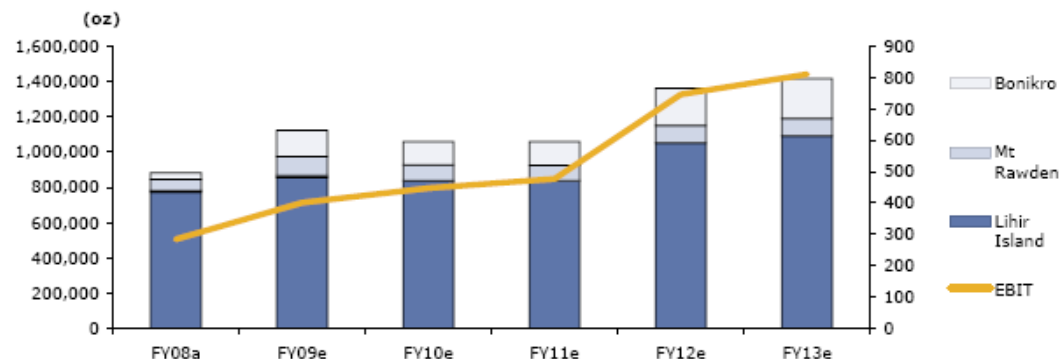
Source: DataStream. Weekly data January 2001 to 20th May 2010

Q4 2009 Results Overview

Lihir

- Volume growth of 28% in 2009 → EBITDA growth of 89%
- Strong five year growth forecast (1.1m to c.1.4m oz); backend loaded but cheaper than peers
- Declared a final dividend of 1.5cps → total for 2009 of 3cps (vs. zero in 2008)

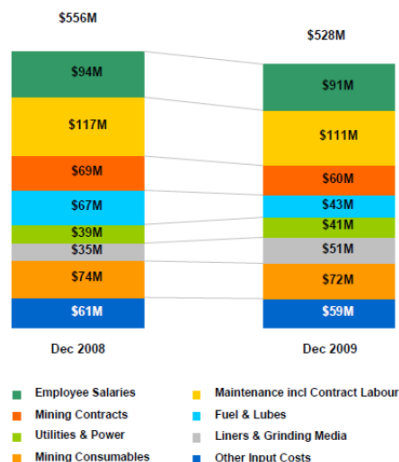
Production Profile



Newcrest

- Production growth remains on track but most impressive was the cost reductions of 16% y-o-y
- achieved by cutting of labour, contractor costs as well as increasing throughput and recoveries
- surprised the market with 5cps interim dividend (no interim in 2009; 15cps final)

Mine Production Costs – Reducing against the trend



Dec 2008 to Dec 2009	Change Due to:	
	Volume	Price
Employee Salaries	↓ 5%	↑ 2%
Maintenance incl Contract Labour	↓ 11%	↑ 6%
Mining Contracts	↓ 14%	↑ 1%
Fuels & Lubes	↑ 3%	↓ 38%
Utilities & Power	↑ 7%	↓ 1%
Liners & Grinding Media	↑ 16%	↑ 30%
Mining Consumables	↑ 5%	↓ 7%
Other Input Costs	-	↓ 4%
Total	↓ 2%	↓ 3%

Source: Goldman Sachs and company data

Q4 2009 Results Overview

Kinross Gold

- Beat expectations on production and costs came in at bottom end of guidance
- Sold half of its stake in Cerro Casale to Barrick for \$475m → enables portfolio optimization
- Appear to be recovering from set backs at Paracatu quicker than market expected

Agnico Eagle

- Production short of guidance but ahead of bearish market expectations; costs beat expectations
- Operating costs improved significantly in Q4 as problems overcome but concerns over rising capex
- Aggressive plan to double production in 2010 to over 1m oz

Barrick Gold

- Robust production numbers and costs below expectations, helped by strong copper prices
- Announced separate listing of African Barrick Gold to list in London and drive re-rating of assets

Gold Fund - Outlook & Strategy

Supply and demand fundamentals are supportive of a higher gold price

Gold companies in position to drive margin expansion

- Moderating cost pressures
- Historically high gold price

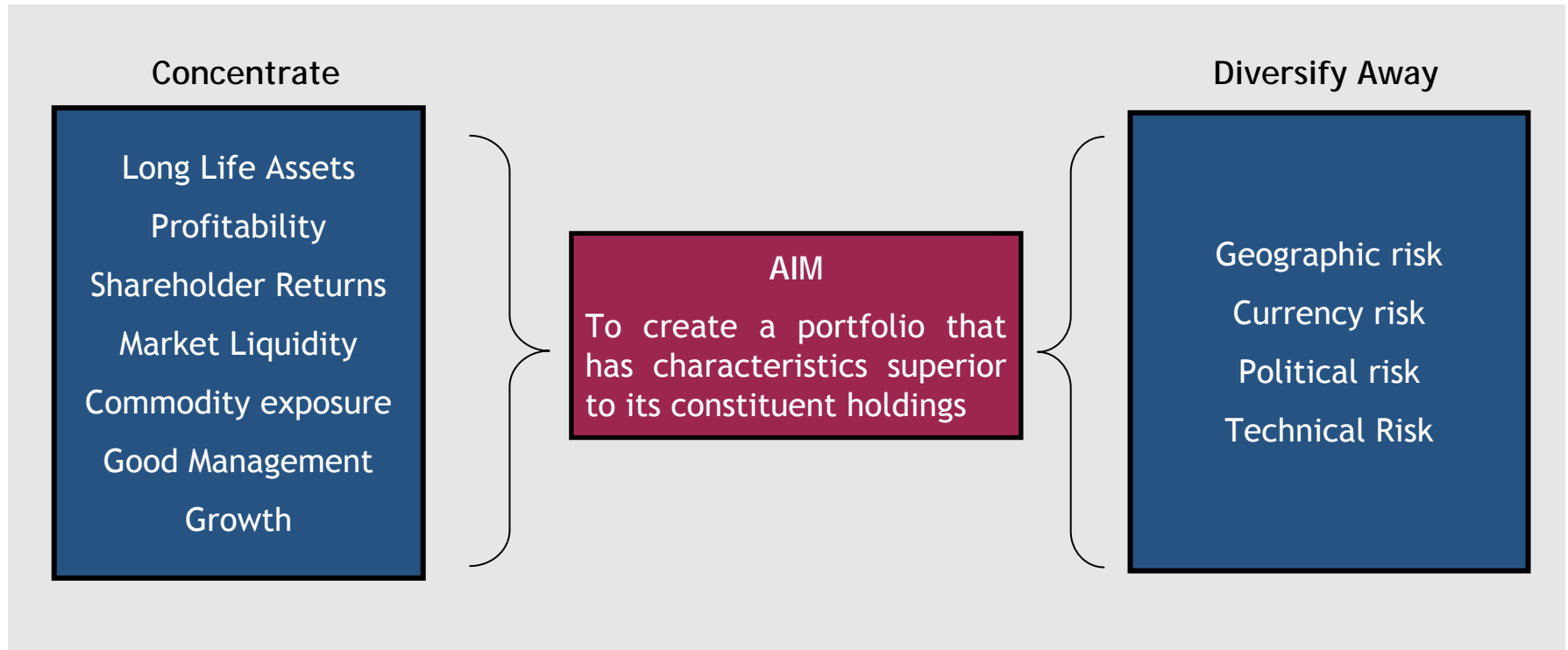
High emphasis on companies with

- Long life reserves
- Already a lot of sunk capex
- Flexible operations

Focus on mid to large cap production companies; underweight gold majors

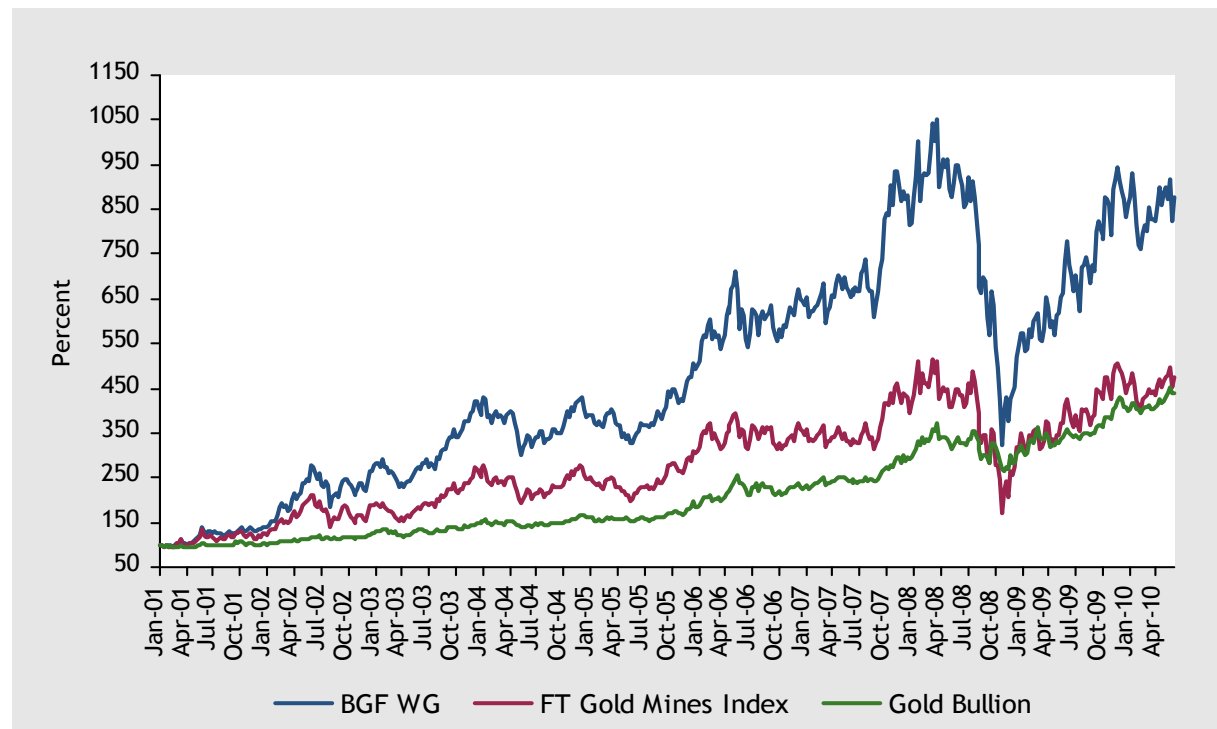
Source: Internal. Data is indicative only and subject to change.

Investment Process Of BGF World Gold Fund: In A Nutshell



BGF World Gold Performance

- Launched in 1994
- AUM of US\$ 6.9 bn
- Open Ended SICAV
- AAA rated - OBSR
- AAA rated - S&P Fund Research
- Elite rated- Morningstar



Source: DataStream, data to 31 May 2010

US\$	1m	3m	6m	YTD	1 Yr	3 Yrs	5 Yrs	10 Yrs
BGF World Gold Fund	-3.1	10.1	-4.1	2.8	12.8	34.1	161.2	746.8
FTSE Gold Mines Index	-2.3	12.0	-3.1	5.9	10.6	44.7	124.9	317.8
Gold Bullion	2.0	8.8	2.2	9.8	25.3	81.7	189.2	341.2

Source: Datastream. Net performance on a NAV pricing basis as at end May 2010

BGF World Gold Top Ten

Stock	% of Fund	Geography	Commodity
Newcrest Mining	8.1	Australia	Gold
Goldcorp	6.3	North America	Gold
Kinross Gold	6.1	North America	Gold
Buenaventura	5.8	Latin America	Gold
Newmont	5.8	North America	Gold
Randgold Resources	5.3	Africa	Gold
Eldorado	4.6	Latin America	Gold
Impala Platinum	4.5	South Africa	Platinum
Fresnillo	4.3	Latin America	Silver/Gold
Lihir Gold	4.2	PNG	Gold
Total	55.0%		

Number of Holdings: 52

Source: Internal as at end May 2010 Indicative only and subject to change.



DSP BlackRock World Gold Fund

Why Invest In DSP BlackRock World Gold Fund?

- ➔ DSP BlackRock World Gold Fund is a product that gives you
 - International diversification
 - Access to the growth potential of Equities as well as the strong fundamentals of Gold
- ➔ Access to BlackRock Global Funds - World Gold Fund
 - One of the largest funds in its category# with a 15 year Performance Track Record
 - Out-performance over FTSE Gold mines (cap) Index, Gold Bullion and S&P CNX Nifty Index*
 - Managed by a highly regarded Natural Resources Team

A Precious Gem for your Investment Portfolio

DSP BlackRock World Gold Fund: Performance

CAGR as on May 31, 2010		
	DSP BlackRock World Gold Fund	FTSE Gold Mines (Cap) Index
Last 1 year	10.04%	8.88%
Since Inception Returns	17.06%	14.63%
NAV/ Index Value (Rs)	15.3287	150939.20
Date of allotment	Sep 14, 2007	

Note: As per the SEBI standards, for performance reporting, the “since inception” returns are calculated on Rs 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment. The ‘returns’ shown are for the Regular Plan - Growth Option. Performance in INR term as on May 31, 2010.

Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.

DSP BlackRock World Gold Fund: Scheme Features

Minimum Investment and Minimum Additional Purchase

- Regular Plan: Rs. 5000/- and Rs. 1000/- thereafter
- Institutional Plan: Rs. 5 cr. and Rs. 1000/- thereafter
- Options available: Growth
(for both plans) Dividend
 - Payout
 - Reinvest

Entry Load (both plans)

- Nil

Exit Load (both plans)

- For holding period: < 12 months: 1%; holding period \geq 12 months: Nil



Thank You

Disclaimer

DSP BlackRock World Gold Fund (DSPBRWGF) is an open ended fund of funds scheme, investing in gold mining companies through an international fund, and the primary investment objective is to seek capital appreciation by investing predominantly in units of BGF - WGF. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes, which may constitute a significant part of its corpus.

Asset Allocation: Units of BGF - WGF or other similar overseas mutual fund scheme(s): 90% to 100%; Money market securities and/or units of money market/liquid schemes of DSP BlackRock Mutual Fund: 0% to 10%.

Features: SIP only in Regular Plan, SWP & STP available in each plan of the scheme. Nomination facility available, subject to applicable conditions as per the Statement of Additional Information (SAI) and Scheme Information Document (SID). Declaration of NAV on all Business Days. Redemption normally within 5 Business Days. Sale and Redemption of Units on all Business Days at Purchase Price and Redemption Price respectively. Minimum investment: Rs. 5,000/- (Reg. Plan)/Rs. 5 crore (Inst. Plan). Entry load: NIL. Exit load: Holding Period < 12 months: 1%, Holding Period >= 12 months: NIL. Investors shall bear the recurring expenses of the Scheme in addition to the expenses of the underlying scheme(s) in which the Scheme will make investment.

Statutory Details: DSP BlackRock Mutual Fund (Fund) was set up as a Trust and the settlors/sponsors are DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively) and BlackRock Inc. (Combined liability restricted to Rs. 1 lakh). Trustee: DSP BlackRock Trustee Company Pvt. Ltd. Investment Manager: DSP BlackRock Investment Managers Pvt. Ltd. Risk Factors: Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the Scheme's objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Scheme can go up or down depending on the factors and forces affecting capital markets. Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Scheme. Investors in the Scheme are not being offered a guaranteed or assured rate of return. Each Scheme/Plan is required to have (i) minimum 20 investors and (ii) no single investor holding >25% of corpus. If the aforesaid point (i) is not fulfilled within the prescribed time, the Scheme/Plan concerned will be wound up and in case of breach of the aforesaid point (ii) at the end of the prescribed period, the investor's holding in excess of 25% of the corpus will be redeemed as per SEBI guidelines. DSPBRWGF is the name of the Scheme and does not in any manner indicate the quality of the Scheme, its future prospects or returns. If the SEBI limits for overseas investments allowed to the Fund are expected to be exceeded, subscriptions and switches into the Scheme may be temporarily suspended / SIP/STP into the Scheme may be terminated. For scheme specific risk factors, please refer the Scheme Information Document (SID). For more details, please refer the Key Information Memorandum cum Application Forms, which are available on the website, www.dspblackrock.com, and at the ISCs/Distributors. Please read the SID and SAI carefully before investing.



Annexures

Natural Resources Team

- ➔ A market leader in Natural Resources sector funds
- ➔ Cumulative market experience of over 75 years
- ➔ Diverse mix of academic and industry backgrounds
- ➔ Highly regarded in the business
 - AAA rated by S&P Fund Research - BLK Gold & General Fund, BGF World Gold Fund and BGF World Mining Fund
 - AAA rated by OBSR - BLK Gold & General Fund, BGF World Gold Fund and BGF World Mining Fund
 - Over 100 awards for sector fund management

Highly regarded & experienced Investment Team

BGF - World Gold Fund: Fund Managers

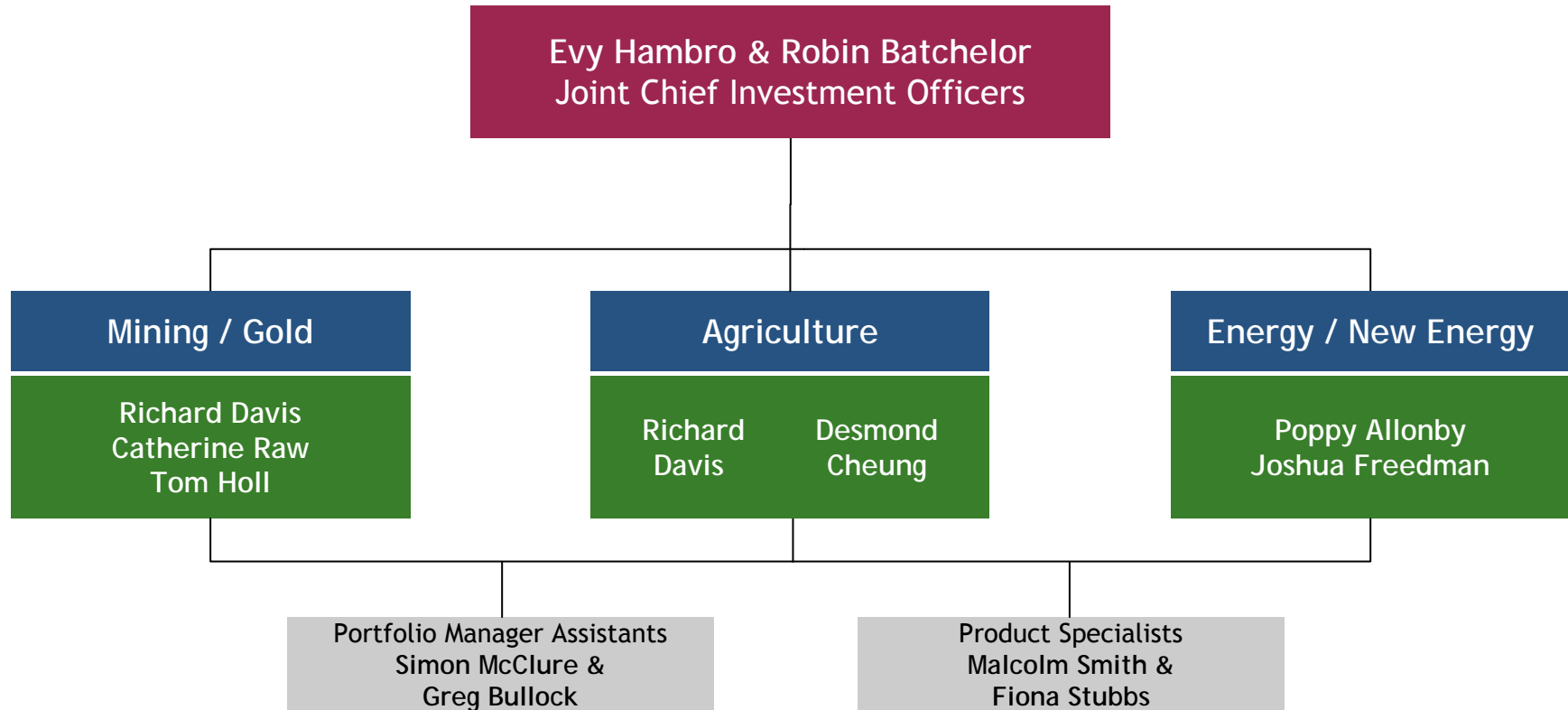


Evy Hambro, Managing Director and Portfolio Manager, is a member of the Natural Resources Team. He is responsible for managing the BGF World Mining and BGF World Gold funds, and co-managing the ML Natural Resources Hedge Fund.

Mr. Hambro joined BlackRock following the merger with Merrill Lynch Investment Managers (MLIM) in 2006. At MLIM he was responsible for managing the BGF World Mining and BGF World Gold funds, and co-managing the ML Natural Resources Hedge Fund. He joined MLIM in 1994, and has managed several segregated Natural Resource mandates since 1997.

Mr. Hambro earned his B.Sc. degree with honours (in Marketing), from Newcastle University.

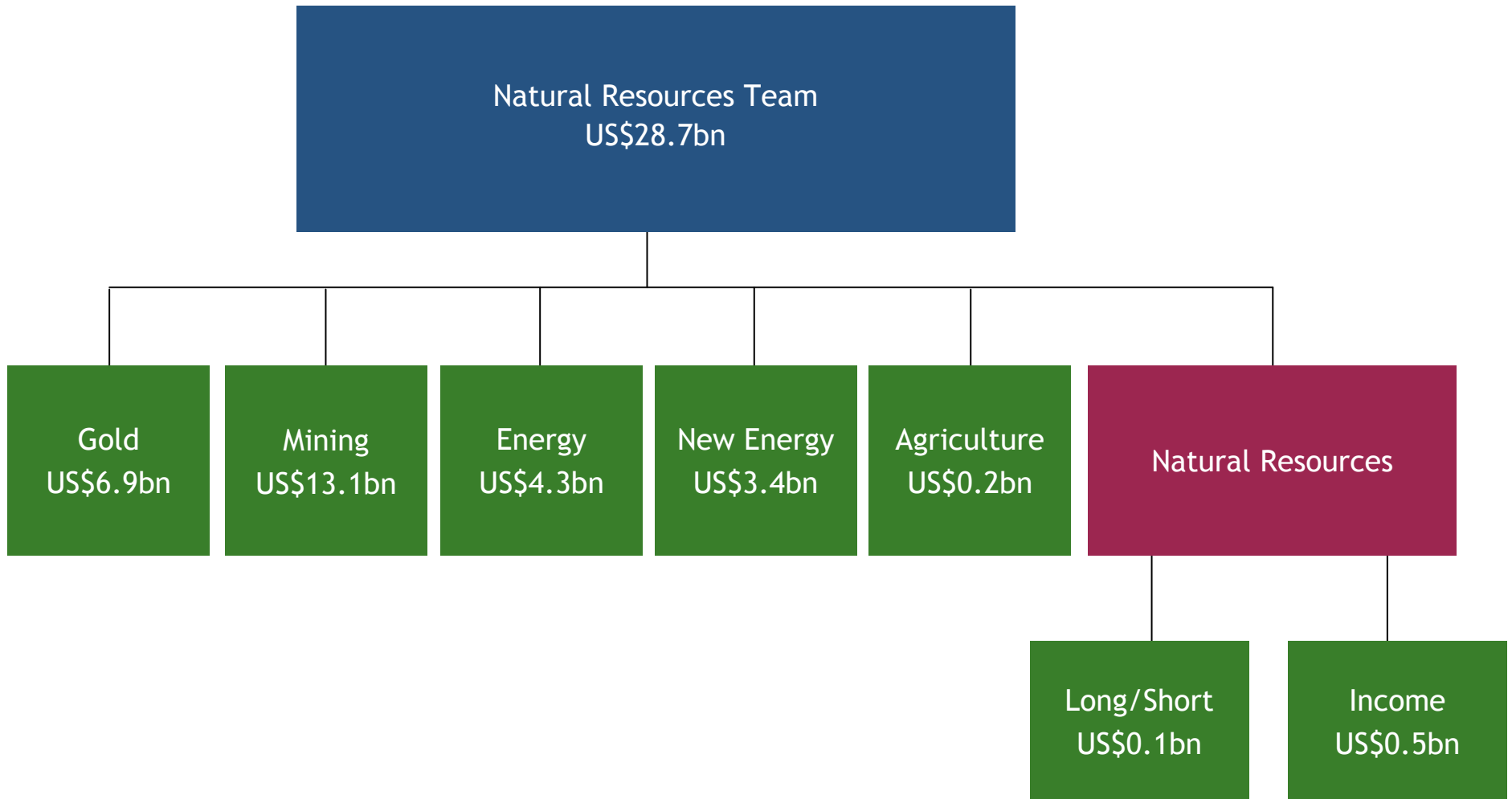
BlackRock's Natural Resources Team, London



BlackRock Offices worldwide
250+ equity analysts, 300+ fixed income analysts

BlackRock Solutions & Risk Management
380 Professionals

BlackRock Natural Resources Team fund range



Source: Internal as at May 31, 2010

What Would You Buy?

- ➔ If you believe that Copper price is going to go up,
 - Will you buy Copper and keep it at home?
 - Will you buy shares of Copper mining companies?

- ➔ If you believe that Cement price is going to go up,
 - Will you buy Cement and keep it at home?
 - Will you buy shares of Cement manufacturing companies?

- ➔ Investment in Gold = Store value & Investment in Equities = Return on value

- ➔ Investment in Equities of Gold mining companies = Store Value + Return on Value

DSP BlackRock World Gold Fund - A Precious Gem for your Investment Portfolio

The Commodity Super Cycle

There have been only 6 super cycles in the past 250 years

