



DSP BLACKROCK

NATURAL RESOURCES AND NEW ENERGY FUND

HARNESS THE FUTURE

DSP BLACKROCK
MUTUAL FUND

Product Construct

Indian Companies

Natural Resources

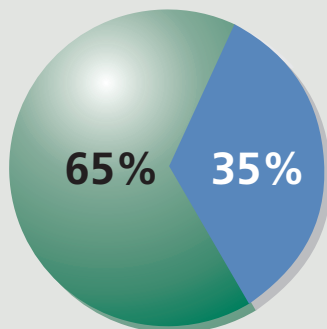
- Base Metals
- Other Minerals & Commodities
- Water
- Agriculture

Energy

- Oil
- Gas
- Coal

New Energy

- Renewable Energy
- Alternative Fuels



International Exposure

- BGF World Energy Fund
- BGF New Energy Fund
- Investors have access to superior stock selection skills of a very well respected Natural Resources Team at BlackRock.
- The team, consisting of acknowledged industry specialists, is led by Graham Birch who has a doctorate in mining geology from Imperial College, London.

A Sustainable Investment Theme for years to come

Investment Case

Natural Resources

- Urbanisation + Industrialisation
- ↓
- Material Intensive Growth
- ↓
- Increased demand for Natural Resources
- Sector in the middle of super cycle
- Consolidation driving this sector forward
- Demand ↑ but Supply ↓

Sustainable Investment Theme

Energy

- Oil Market remaining tight, outlook positive
- Continued demand growth- Low supply growth
- Ability of non-OPEC production to meet increasing demand doubtful

New Energy

- Strong macro economic drivers to propel the sector forward
- Global policies provide dual drivers of Climate change and Energy Security
- Alternative energy costs falling alongwith technological & operational advances
- Rising oil, gas & coal prices vs falling alternative energy costs

Outlook

Equity analysts' view - 'Positive earnings momentum'

- Most bulk commodities and base metals saw a significant slowdown in demand towards the end of calendar year 2008. This drove mining company valuations down. The early part of 2009 has seen stability return to global commodity prices as demand has begun to recover. Freight rates have improved and steel prices are on the rise.
- Global mining capacities have been cut rapidly through last year. We believe this move by mining companies will support prices of commodities as the sector will be unprepared for a recovery in demand, which we expect once inventories are worked through over the next few quarters.
- The recent down-cycle in commodities has made valuations on traditional sales and earnings metrics difficult. On a replacement cost basis, however, valuations look extremely attractive and we should expect a rally in metals, bulk commodity and mining stocks once demand stability returns.

New Energy sector continues to show long term potential

- The new energy sector continues to benefit from government-mandated growth targets and attempts to combat climate change and improve energy security. However, equities have been affected by broader market volatility, as well as the recent correction in oil and coal prices.
- US President Barack Obama has plans of investing US\$150 billion in clean energy over the next ten years. His plans include putting one million US-built hybrid cars on US roads by 2015. He also aims to ensure that 25% of electricity comes from renewable sources by 2025 and implement a program to reduce greenhouse gas emissions by around 80% by 2050.
- While the sector could continue to face pressure in the shorter term, the longer term growth prospects of the sector have not diminished. Government support of the sector could increase as a result of the financial crisis as countries follow the example of the United States.

