



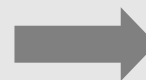
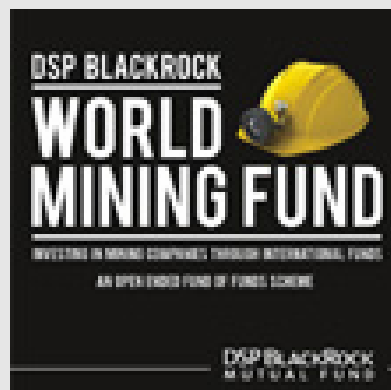
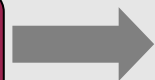
DSP BlackRock World Mining Fund

January 2010

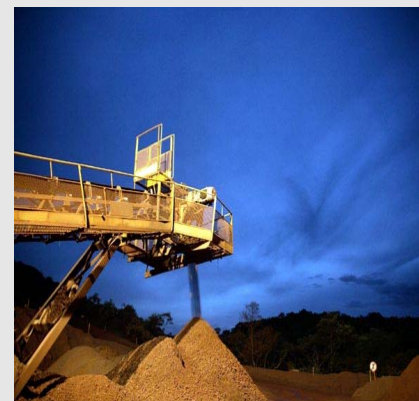
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DSP BlackRock World Mining Fund: Product Structure

Indian Investors



BlackRock Global Funds (BGF)
World Mining Fund



USD 13.9 billion
(Rs 64,800 crore[#])

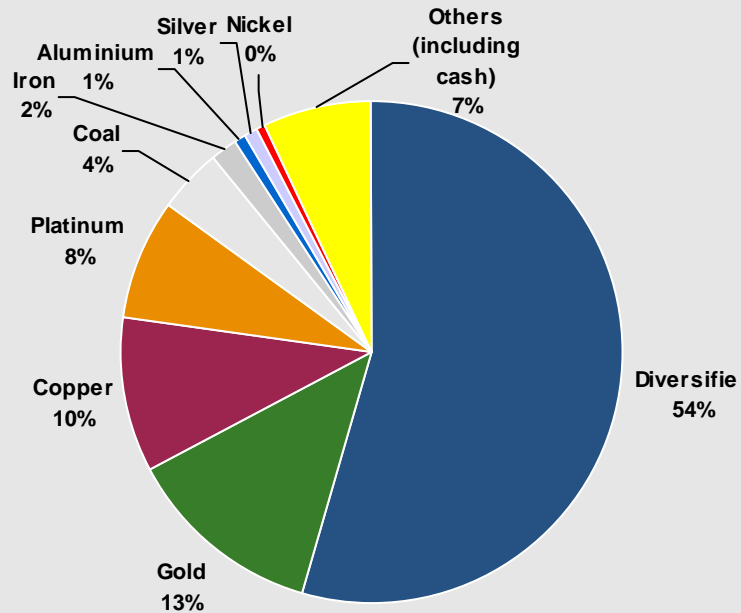
BlackRock Global Funds (BGF) World Mining Fund

Sectors in which the fund typically invests in:

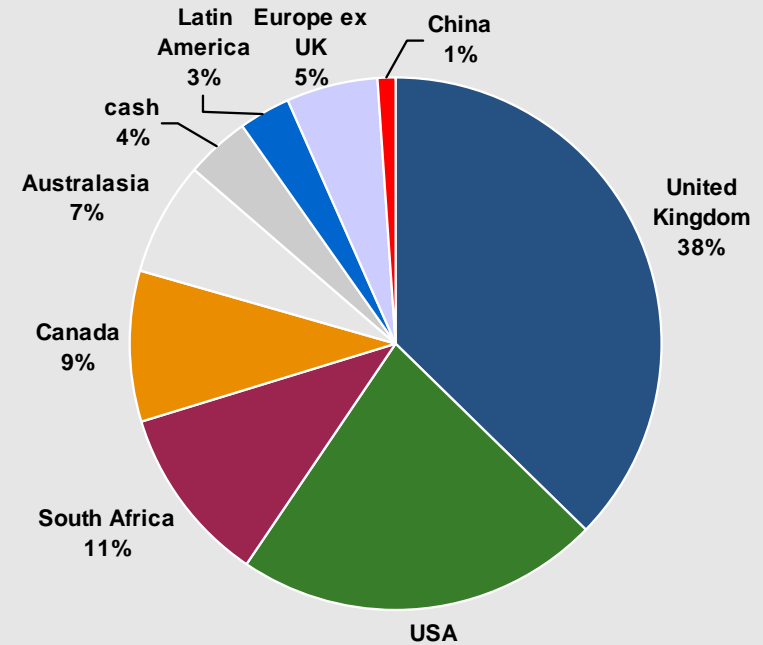
- Iron Ore
- Copper
- Aluminum
- Energy Coal
- Metallurgical Coal
- Gold
- Nickel
- Platinum
- Diamonds

BGF World Mining Fund: Exposures

Sector Exposure

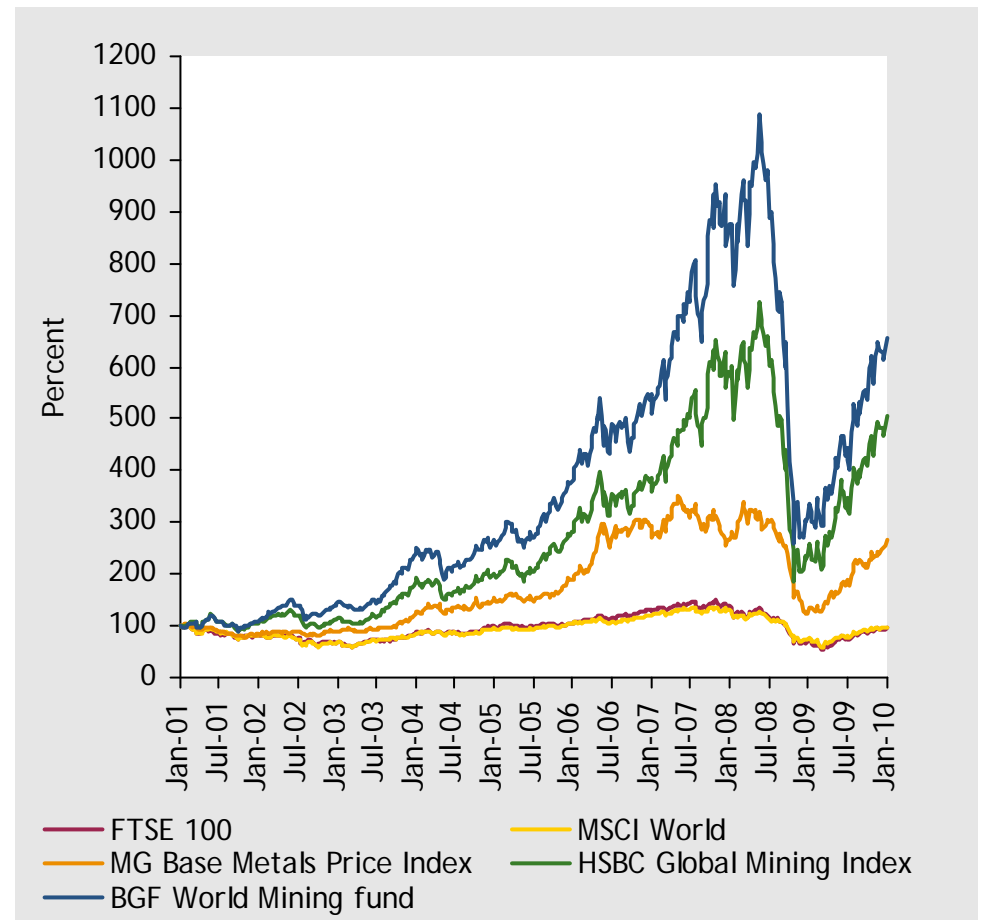


Geographical Market Exposure



The last few years have been a rollercoaster for most investors....

- Volatility is a feature of commodity investing and was certainly abundant in 2008 and 2009
- Despite this volatility, commodities have generated significant returns for investors
- Investors in commodity equities have enjoyed returns over and above those of most commodities or broader equity markets
- Patience and an understanding of volatility are both important factors for successful investing in the natural resources sector
- The dislocations in equity markets have been providing some outstanding investment opportunities
- With the demand implications of the credit crisis starting to abate, investors are starting to focus on fundamentals once again

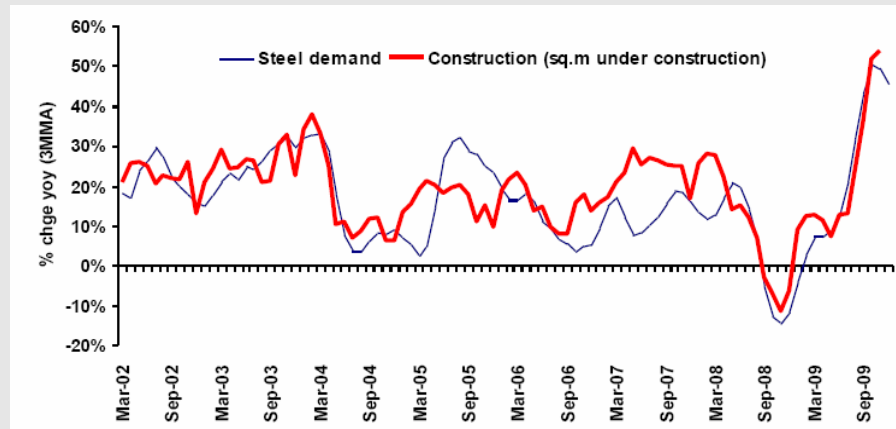


.....but commodities have been the ride to be on

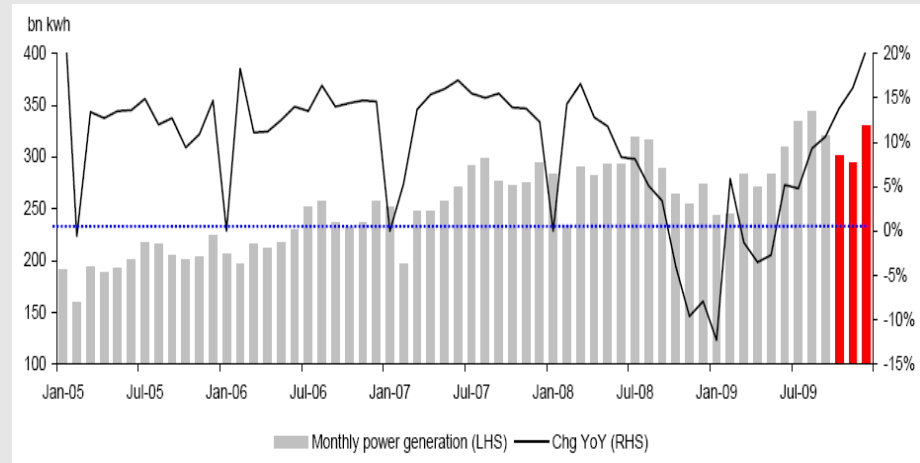
Source: DataStream. Weekly data in USD as at 4 January 2010. BlackRock has not acquired any rights or licence to reproduce the trademarks, logos or images set out in this document. The trademarks, logos and images set out in this document are used only for the purposes of this presentation.

Demand: Chinese recovery

Chinese construction has risen, driving steel demand



Strong recovery in electricity generation year-on-year

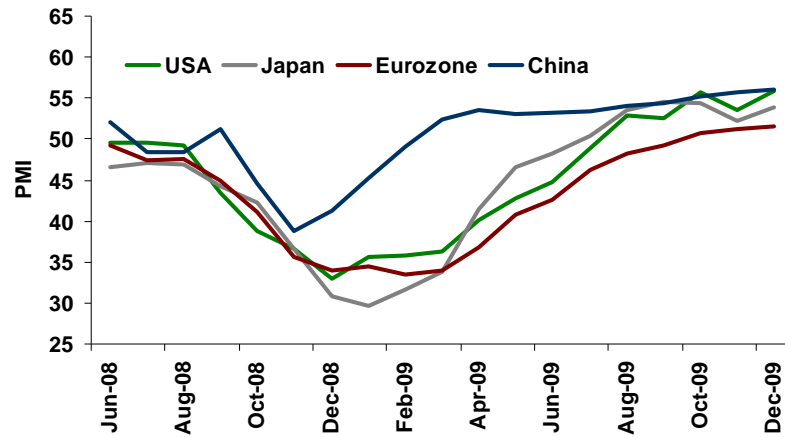


Source: Macquarie, as at end December 2009

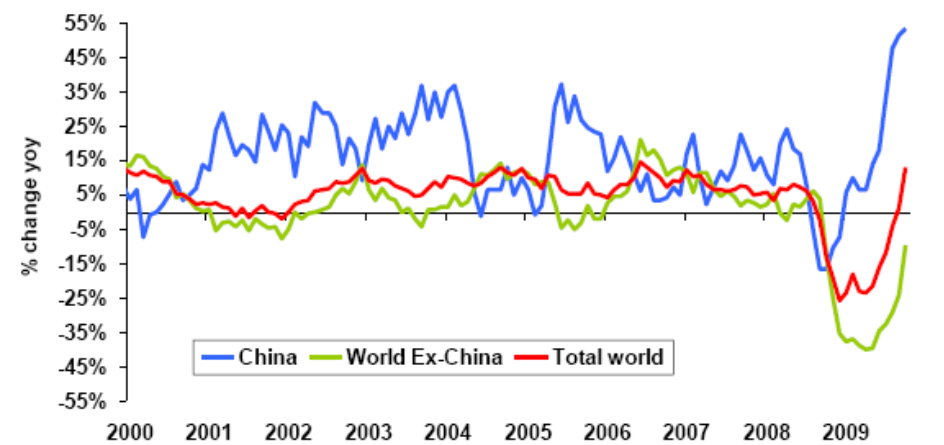
- China saw a rapid and strong demand recovery through 2009
- Market concern over declining momentum of recovery has diminished as economic data continues upward trend
- Import levels of raw commodities (e.g. copper) down Q3 vs. Q2 but still at record levels y.o.y
- November 2009 data positive - Industrial Production up 19.2% y-o-y. and trade surplus of \$19.1bn
- PMI data continues to be positive - December 2009 level of 56.1
- Smooth transition from restocking → normalised demand level could be driven by growth in private consumption

Demand: Rest of the World

PMI Data for key economic regions

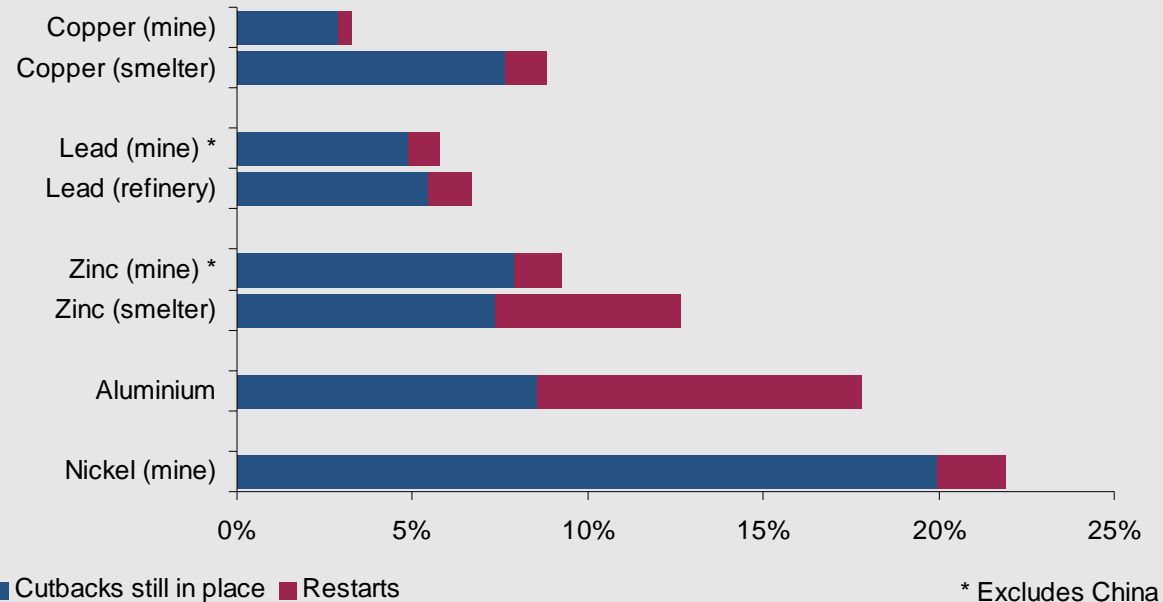


Apparent crude steel consumption appears to have bottomed



- Recovery in the rest of the world has lagged that of China but appears to have commenced
- Easing of credit conditions has encouraged banking sector to start lending again
- Stimulus packages taking effect (e.g. "cash for clunkers" schemes in US and Europe)
- Commodity demand returning as manufacturers begin to restock
- US PMI rose to 55.9 in December 2009 vs. consensus expectations of 54.3

Supply side reacts to higher prices

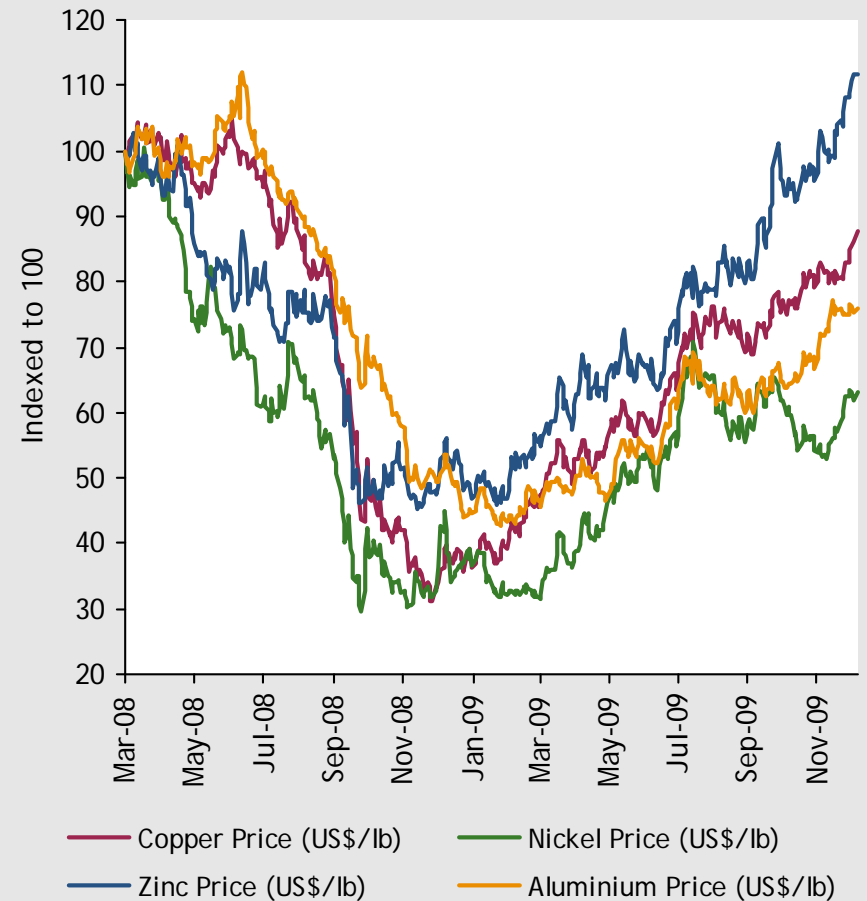


- Supply side reacted extremely fast to shutdown capacity
 - Across most commodities supply was taken offline - some permanently
 - Action helped stabilise prices in early 2009
- Signs of idled capacity being selectively restarted
 - US steel utilisation rates - up from lows and starting to accelerate
 - Merafe / Xstrata have restarted ferrochrome smelting capacity in SA to 90% of capacity
 - China bringing on aluminium smelting capacity

Base Metals Recovery

- China saw a rapid and strong demand recovery through 2009
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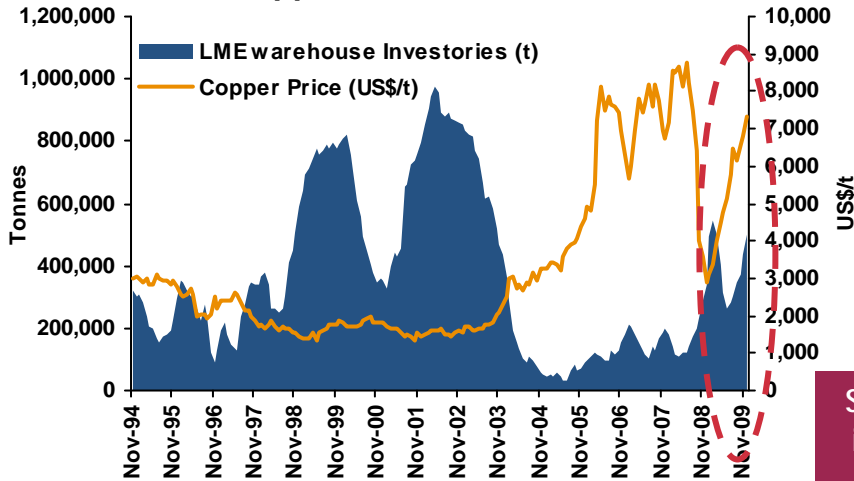
Base Metal Prices Through The Credit Crisis



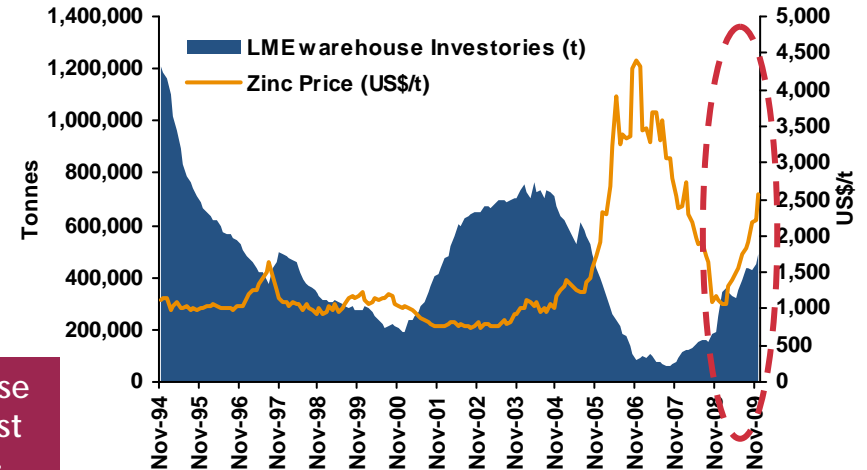
Source: Datastream data as at end 4 January 2010

LME inventories and base metal prices

Copper Inventories & Price

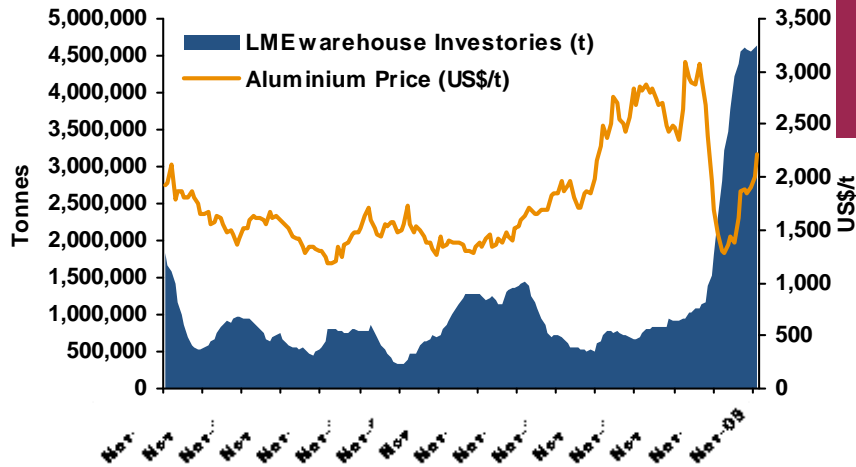


Zinc Inventories & Price

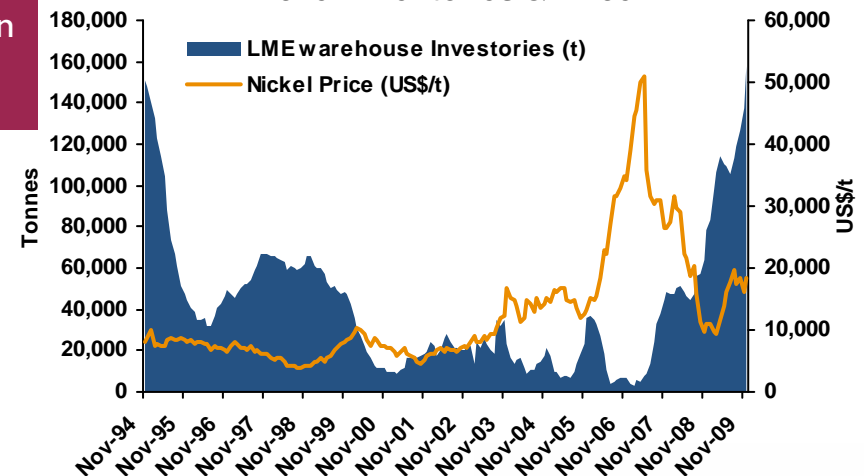


Significant increase in inventories post financial crisis - however for copper and zinc, still low on historic basis and on stock consumption basis

Aluminium Inventories & Price

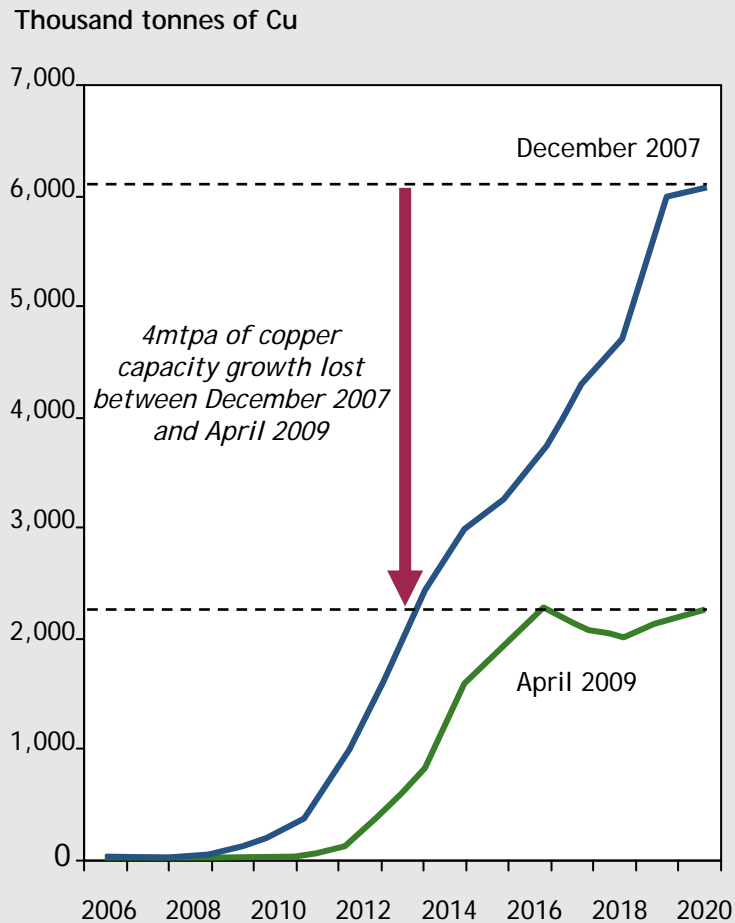


Nickel Inventories & Price

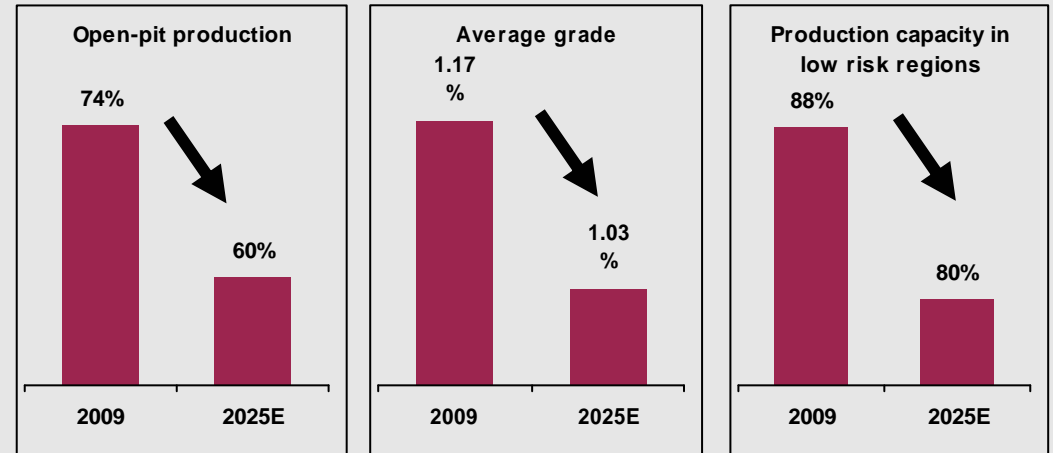


Copper production - a case study

Revision of copper supply growth forecast



Global forecast production: Increasing depth, decreasing grade and higher risk



Source: Rio Tinto, October 2009, based on Brook Hunt data

Planned Projects

- Many new mines or expansion plans cancelled altogether or significantly scaled back
- Juniors struggling to get financing in this new credit environment

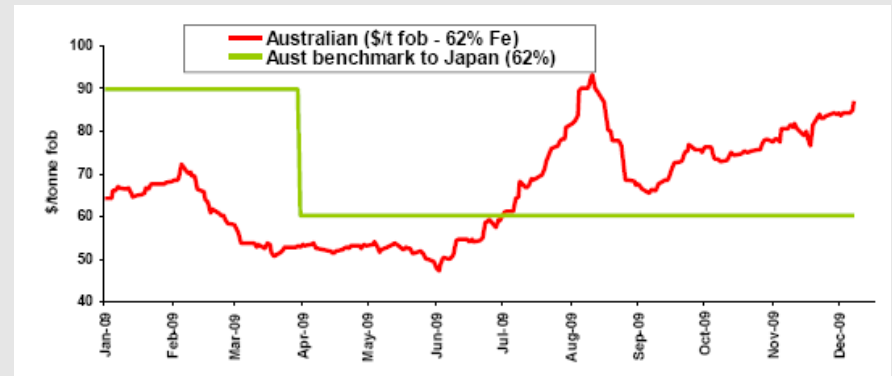
Existing Operations

- Falling ore grade and production challenges make achieving nameplate capacity difficult
- Increased regulation, social and environmental pressures limiting growth at existing operations

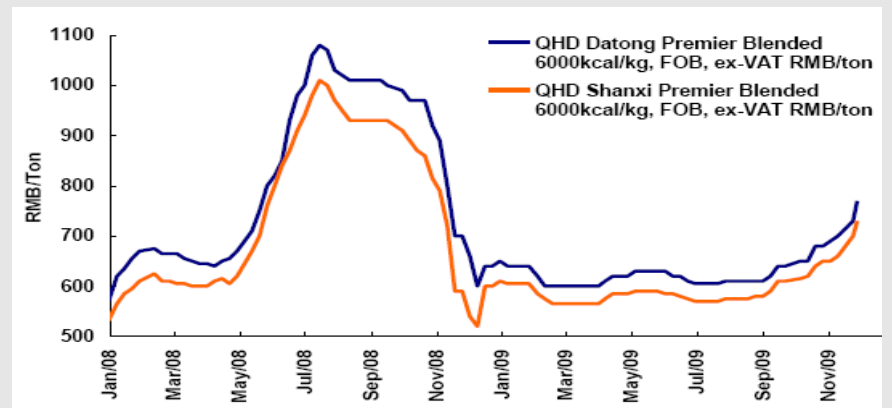
Bulk Commodity Prices

- Expectations for iron ore benchmark settlement being revised upwards
 - Spot price for Iron Ore \$117/t as at end of December
 - Contract price for iron ore set in March 09 at \$61/t
 - Xstrata settle with Tokyo Electric at \$85/ton on 6th January 2010
- Early settlement of thermal coal contracts shows potential of bulk producers to exert pricing power
- Infrastructure concerns (in particular Australia)
 - Insufficient capacity on railways and at ports

Iron Ore Pricing



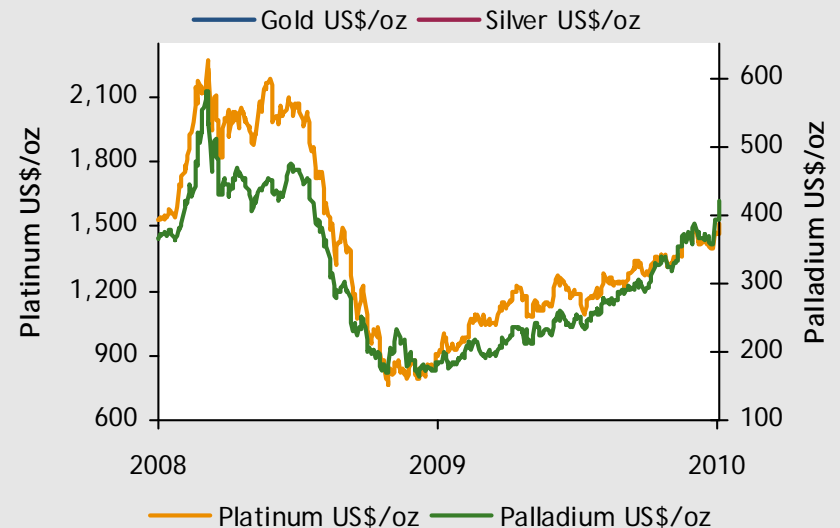
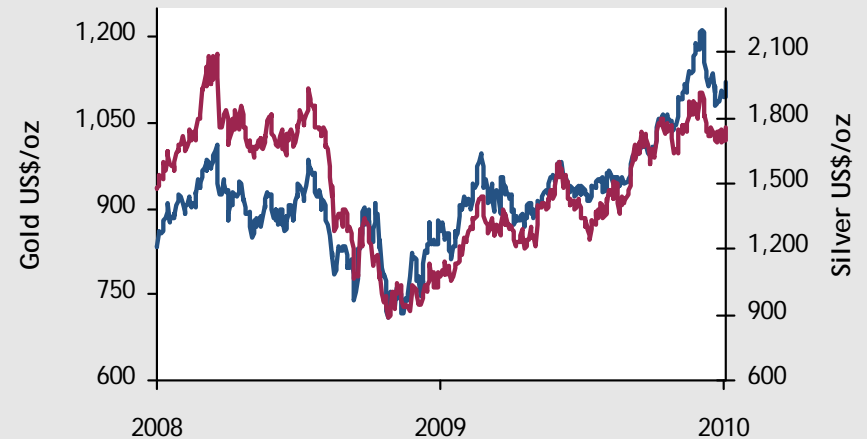
Chinese Thermal Coal Pricing



Precious Metals review

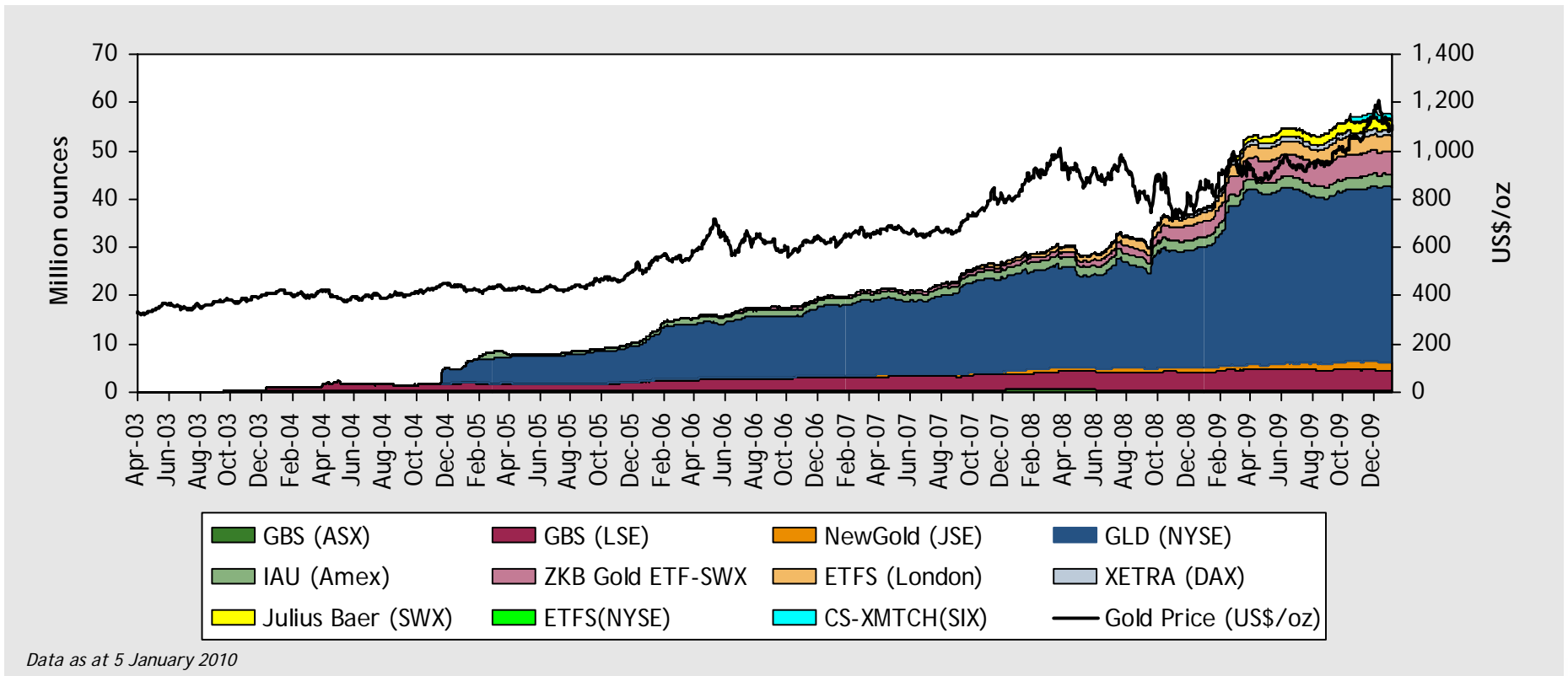
- Gold gained 27% in 2009
 - Investment demand was important as investors sought protection against USD weakness and the potential for a rise in inflation
- Silver had a strong third quarter as industrial demand started to recover
 - like gold, investment demand for silver was strong in 2009
 - however, supply of silver set to materially increase in the coming years
- From being a laggard in 2008, platinum and palladium have started to gain back the relative ground they lost
 - auto catalyst demand has returned
 - supply side issues for platinum to the fore in 2010?

Precious Metals Performance Since the Credit Crisis



Investment demand - is a reversal likely?

- US dollar concerns
 - Current account deficit in the US stands at US\$706bn
- Inflationary concerns
 - the impact of quantitative easing



Corporate Activity

In the past 12 months:

- China marginal buyer and lender for the mining sector
 - Teck, Noble Group, Bumi, Oz Minerals, Kazakhmys
 - Aquila, Corriente, African Minerals
- BHP and Rio initiated iron ore joint venture
- Xstrata unsuccessfully proposes Anglo American merger
- Barrick, the world's largest producer of gold, raises over US\$3bn to reduce hedge book
- Improved outlook leads to revival of capex budgets- Rio Tinto and Vale



In the coming 12 months:

- Some companies balance sheets now verging on laziness
- Combination of equity raising and strong commodity prices have left some companies with war chests
- Increased availability of finance
- Good opportunities for M&A within the sector

*In 2009 M&A was widespread but generally limited to assets rather than entire corporate entities
With growth now back in focus and distress less common we may see more M&A in 2010*

Implications of the demand / supply fundamentals for the sector

- The events of the last 12 months have sowed the seeds for the next leg of the commodity cycle
- Preference for those that are constrained in their ability to increase supply
 - These are starting to show the first signs of benefitting from demand recovery
 - Copper, platinum, bulk commodities (iron ore and coking coal)
 - Aim of selecting those companies that can generate cashflow and margin expansion as these prices rise
- Focus on long life, low cost assets in sectors that are supply side constrained
 - less prone to opex inflation
 - most of capex already spent
- Low emphasis on pure play explorer/ developers
 - Upside exposure through development activity of established producers

Outlook for 2010

Emerging market growth appears robust, this should underpin metals demand

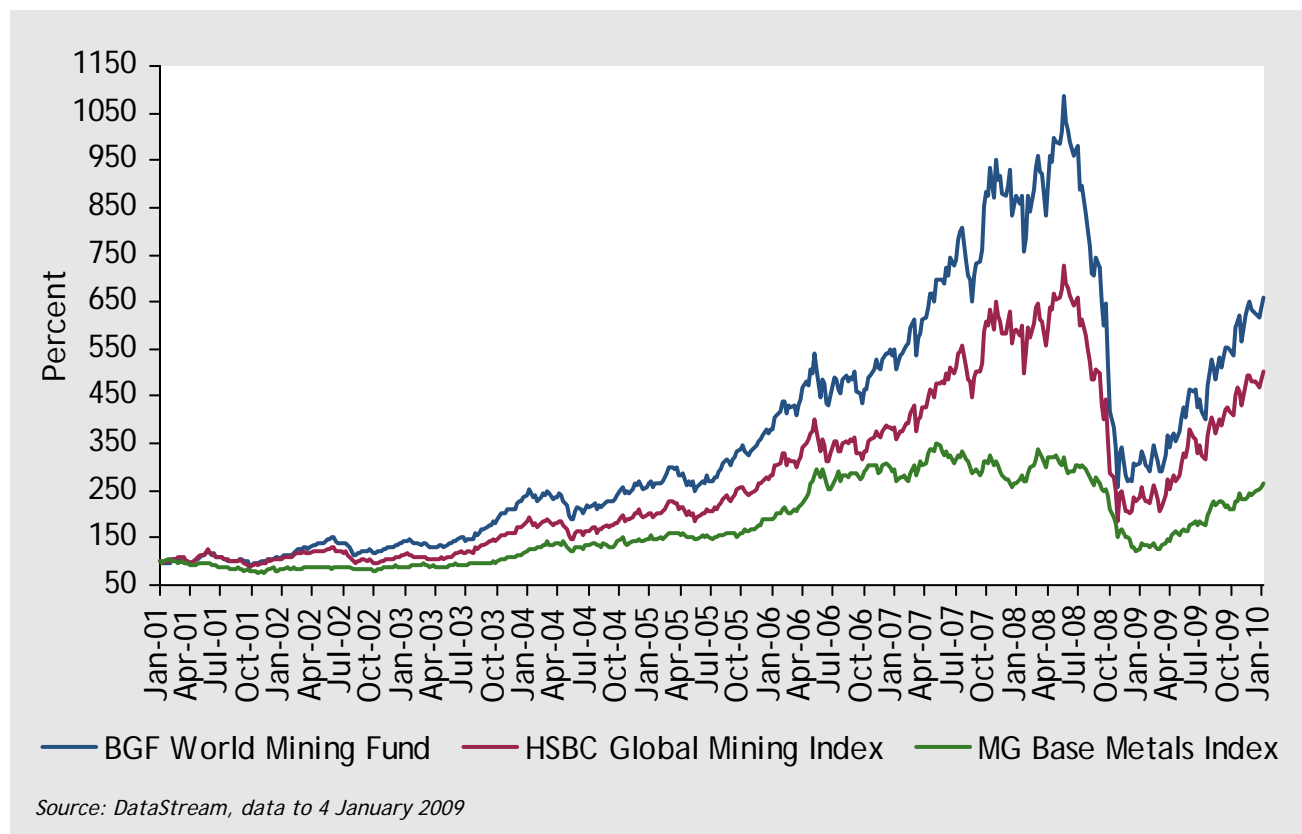
Two key questions have emerged from mining investors for 2010:

1. Are current commodity prices sustainable?
 - Will industrial demand in Europe and the US be revived?
 - Is there sufficient capacity to accommodate this?
2. Will the (much forgotten) supply side dynamics start to come to the fore?
 - The credit crisis has significantly impacted supply growth for some commodities
 - Ore grades are materially diminishing for some commodities
 - The mining industry is increasingly having to look to more risky regions to source production growth
 - With markets tightening, the potential for short term disruptions increasing (weather, labour disputes, health and safety)

Stock selection and commodity allocation will be key for 2010

BGF World Mining Performance

- Launched in 1997
- AUM of approx \$ 13.9 bn
- Open Ended SICAV
- AAA rated - OBSR
- AAA rated - S&P Fund Research



US\$	1m	3m	6m	1 Yr	3 Yrs	5 Yrs	10 Yrs
BGF World Mining Fund	1.4	16.5	42.5	108.3	16.8	137.8	519.2
HSBC Global Mining Index	1.3	16.0	42.5	101.7	27.0	140.2	305.2

BGF World Mining Top Ten

Stock	% of Fund	Geography	Commodity
Rio Tinto	10.2	Global	Diversified
BHP Billiton	9.5	Global	Diversified
Vale	8.9	Global	Diversified
Xstrata	6.0	Global	Diversified
Impala	5.0	South African	Platinum
Teck Resources	4.9	Global	Diversified
Freeport- McMoran C&G	4.0	Indonesia	Copper
Anglo American	3.4	Global	Diversified
Buenaventura	3.0	Latin America	Gold
Newcrest	3.0	Australasia	Gold
Total	57.8%		

Source: BlackRock

Number of Holdings: 60



DSP BlackRock World Mining Fund

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 Mining Fund (DSPBRWMF) 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 - WMF. 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 - WMF 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%.

Investor Benefits & General Services: Sale (at Purchase Price) and redemption (at Redemption Price) on all Business Days (Redemption normally within 5 Business Days). SIP, SWP, STP & Nomination facilities available (If the SEBI limits for overseas investments are expected to be exceeded, the NFO may be closed / subscriptions, switches into the Scheme may be temporarily suspended/SIP/STP into the Scheme may be terminated). Declaration of NAV for each Business Day by 10 a.m. of the next Business Day. **Investors in DSPBRWGF 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 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 Schemes' objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Schemes 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 Schemes. Investors in the Schemes 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. 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.dsblackrock.com, and at the ISCs/Distributors. Investors in DSPBRWGF 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. **Please read the SID and Statement of Additional Information 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 Mining Fund: Fund Managers

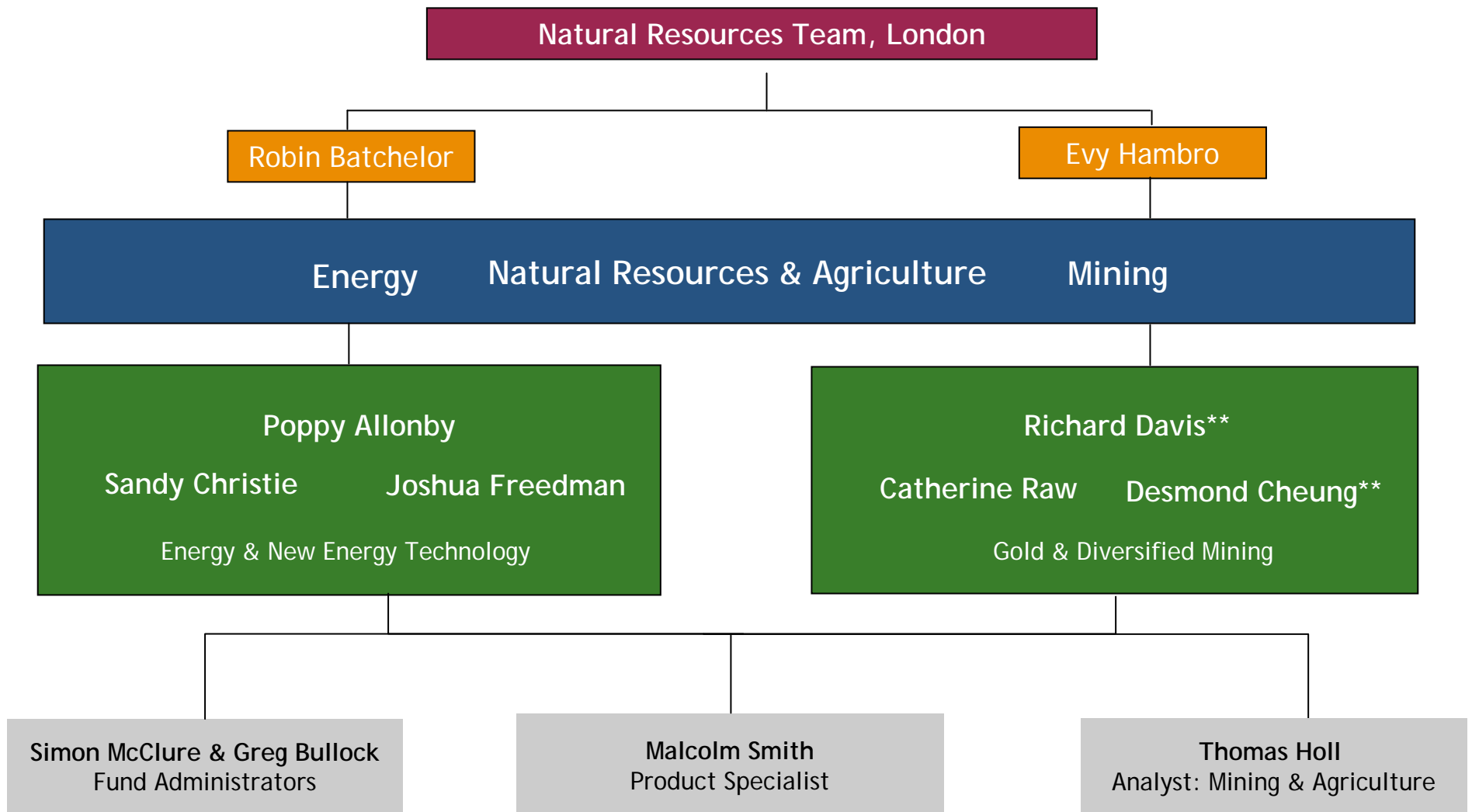


Evy Hambro, *Managing Director and Portfolio Manager*, is a member of the Natural Resources Team. He is responsible for managing the BGF World Mining and BGF World Gold funds, and co-managing the ML Natural Resources Hedge Fund.

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.

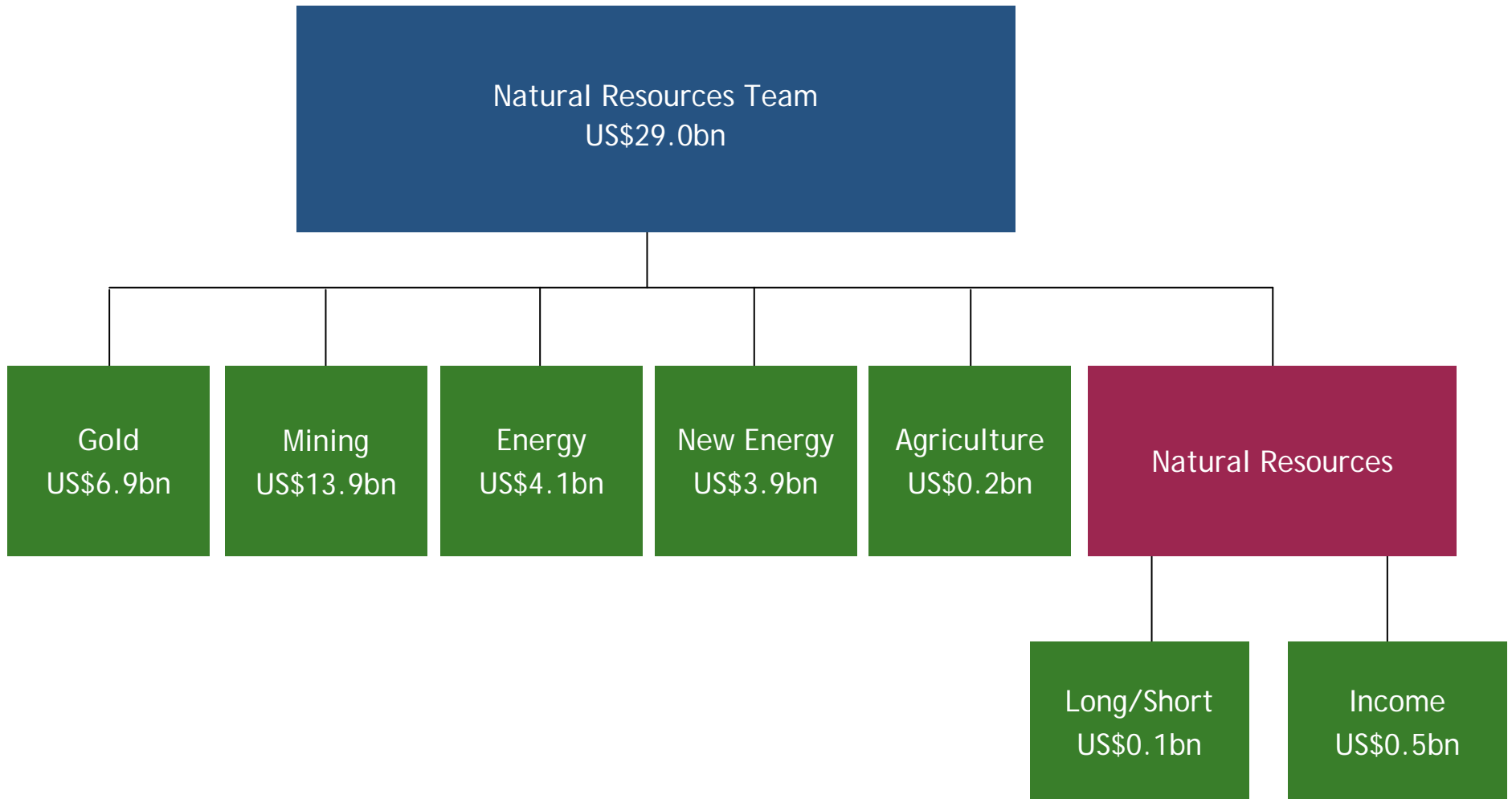
Mr. Hambro earned his B.Sc. degree with honours (in Marketing), from Newcastle University.

BlackRock's Natural Resources Team, London



Source: Internal as at Dec 2009. ** Also cover the agriculture sector.

BlackRock Natural Resources Team fund range



The Commodity Super Cycle

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

