

INVESTMENT TRACKER

JUNE 2009

empowered

Dear Investor,

The first quarter of FY10 has started on a positive note with global equity markets bouncing back from their lows and participating in a broad based rally. After a protracted phase of extreme pessimism discounting near "doomsday" valuations, Indian equity markets too displayed a bullish trend, drawing support from the 'green shoots' of recovery emerging in the global economy. The gradual improvement in investor risk appetite boosted net inflows by Foreign Institutional Investors (FIIs). The rally in the stock markets has been broad based with the large caps leading the recovery and mid-caps following closely behind. On the economy front, while the Economic Survey has projected a GDP growth of 7% for FY10, there could be potential downside risks to economic recovery. The forecast of a less-than-normal monsoon could exert upward pressure on prices of primary food articles, particularly kharif foodgrains. This would imply that the famed rural demand is likely to be impacted owing to lower farm income. While the Government has announced a number of stimulus related proposals in the Union Budget 2009-10, actual implementation of these measures remains a herculean challenge.

Equity Way Forward:

Going forward, we reiterate our view that India is in a strong relative position compared to emerging markets. Most Indian companies are likely to announce incrementally better earnings than Q4 FY09. It is probable that markets may run ahead of the ground reality in terms of reforms expectations from the new stable government, which could invite correction in the interim. However, unless there is any major catastrophic event, the sheer liquidity on the sidelines and the strong left out feeling from prospective investors, will continue to provide support to the Indian market.

Equity Markets: Our Strategy

As a portfolio strategy, we continue to be invested in large caps with select mid-cap exposure. We remain positive on companies poised to benefit from domestic demand and infrastructure investment environment. We would continue to actively monitor investment and stock ideas with respect to their valuations, especially given the rally and continue to remain invested in stocks that provide a reasonable return outlook.

Fixed Income Way Forward:

Going ahead, the yields are expected to trade in a range as the RBI is expected to maintain the rates at least till the end of the second quarter of FY 2009 -10. Recent macro-economic data do not seem to necessitate a further reduction in the policy rates by the RBI. Liquidity conditions are expected to remain easy through the quarter as there seems to be further room for transmission of monetary easing on to the real economy. This would ensure shorter end of the curve being supported and the rate hovering at the support level of the policy rates.

The debt markets may provide calculated opportunities, although fundamental bias should be for lower duration. Excess supply risk has been in place since January 2009, but is now compounded with reduced propensity as economic data recovers, commodities rally and incremental rate cut expectations unwind. SLR level of banks on the back of rise in deposits and slackened credit growth would ensure demand for gilts. However, mitigation of supply risk and / or new downturn in economic cycle may provide space for opportunistic longer duration plays.

Fixed Income: Our Strategy

We stand committed to investing in high credit quality papers with a bias towards maintaining lower portfolio duration. The funds will primarily invest in a portfolio of high quality bonds and other fixed and floating rate securities issued by the Government and corporate issuers. To maintain liquidity, the funds will also invest in cash and money market instruments.



Ritu Arora
Chief Investment Officer

Canara HSBC Oriental Bank
of Commerce Life Insurance
Company Limited

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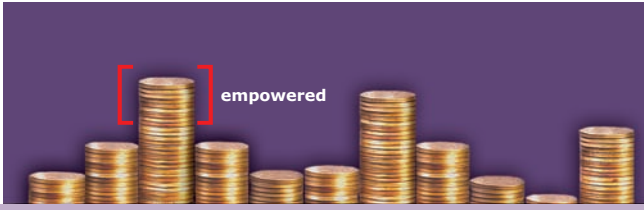
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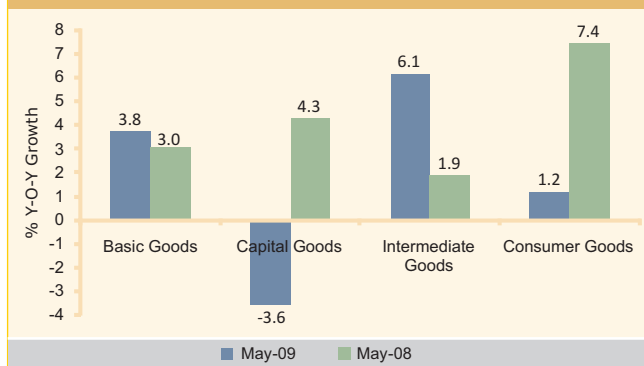
GDP displays resilient performance during Q4 FY09

India's GDP grew by 5.8% during Q4 FY09 amidst global financial and economic turmoil. The resilience in GDP during the quarter could be primarily attributed to the sustained growth in services and construction sectors. The impact of slowdown in domestic and global demand was felt primarily in the manufacturing sector, which registered a sharp decline of 1.36% during the quarter. In the meanwhile, the 'community, social and personal services' sub-sector registered a strong growth of 12.6% during Q4 FY09. However, this can partly be attributed to the significant increase in government expenditure after the announcement of fiscal stimulus packages. Since the government expenditure is unlikely to increase at the same pace going forward, a persistent improvement is required in private consumption and in investment demand for a sustained recovery in the domestic economy.

IIP growth rebounds amidst improved performance of consumer durables sector

The rapid contraction in overall industrial activity – witnessed during the past few months – seems to have abated to a certain extent. Improvement in the Index of Industrial Production (IIP) growth (2.7% during May-09) and a rebound in the manufacturing sector output are indicative of stability emerging within the economy. Although substantial growth in consumer durables' production during April and May 2009 could partly be attributed to the base effect, it does signify a gradual improvement in domestic demand conditions. Intermediate goods production, which witnessed continuous decline during Aug-08 to Feb-09, registered a growth of 6.1% during May-09. Capital goods production, however, continued to decline in May-09, owing to fall in production of metal products and parts, and a substantial moderation in growth of "machinery and equipment other than transport equipment".

Index of Industrial Production - Use Based



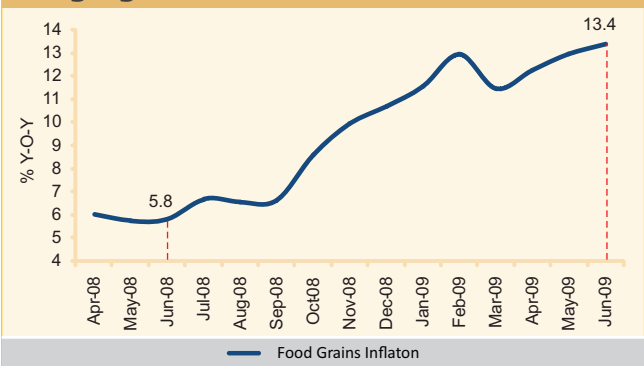
Source: CSO

WPI inflation turns negative

The Wholesale Price Index (WPI) inflation slipped into a negative zone (-1.6% in the week ended 19-Jun-09), for the first time in more than 30 years. However, this is primarily due to a high statistical base and does not denote actual contraction in price level. Prices of food items such as fruits and vegetables and food grains continued to rise (8.6% during Jun-09), contributing more than 70% to the primary food articles' inflation. Despite rising prices of primary food articles, fall in prices of non-food articles (particularly fibres and oil seeds) pulled down inflation in overall primary articles to 5.4% in Jun-09 as against 6.0% in May-09.

Besides primary food articles' alarmingly high level of inflation, the consumer price inflation for industrial workers (CPI-IW) also remained high at 8.6% during May-09 and is a serious concern. Moreover, concerns persist over the prices of food grains owing to the delayed monsoon. The recent hike in petrol and diesel prices, which is expected to result in higher transportation costs, will also exert an upward pressure on prices of agricultural commodities.

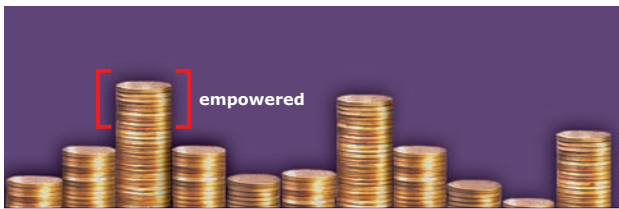
Surging Prices of Food Grains



Source: CSO

Current account balance turns surplus during Q4 FY09

Given a weak external demand, India's exports declined for the eighth month in a row by 29.2% (y-o-y) to US\$ 11.01 bn during May-09. The overall imports bill also witnessed a steep decline of 39.2% on account of sharp fall in oil imports bill, thereby leading to narrowing of foreign trade deficit. Given a sharp contraction in foreign trade deficit during the last few months and the surplus in invisibles account, the current account balance witnessed a turnaround and registered a surplus of US\$ 4.7 bn during Q4 FY09 – last recorded during the Q4 FY07. Net invisibles registered a surplus of US\$ 19.3 bn during Q4 FY09, which is marginally lower than that of US\$ 20.8 bn during Q4 FY08. Although software services and private



transfer receipts witnessed some decline, the contraction was not significant despite global financial and economic crisis. Nonetheless, India's capital account continued to be negative and registered net outflows of US\$ 5.3 bn during Q4 FY09 as against a net inflow of US\$ 26.0 bn during Q4 FY08.

Economy Update		
	Latest period*	Corresponding period previous fiscal
GDP (% , y-o-y)	5.8 (Q4 FY09)	8.6 (Q4 FY08)
IIP (% , y-o-y)	2.7 (May 09)	4.4 (May 08)
WPI Inflation (% , y-o-y)	-1.4 (Jun 09)	11.9 (Jun 08)
CPI-IW Inflation (% , y-o-y)	8.6 (May 09)	7.8 (May 08)
Non-food Credit (% , y-o-y)	15.2 (as on 26-Jun-09)	26.2 (as on 27-Jun-08)
Exports in US\$ terms (% , y-o-y)	-29.2 (May 09)	27.4 (May 08)
Imports in US\$ terms (% , y-o-y)	-39.2 (May 09)	38.2 (May 08)
Exchange rate (Rs/US\$)	47.8 (Jun 09)	42.8 (Jun 08)

Source: CSO, RBI
* As per latest available data

Bond yields surge as Government embarks on a huge borrowing programme

The huge government borrowing programme during FY10 to fund the mounting fiscal deficit has exerted an upward pressure on G-sec yields. The yield on the 10-year benchmark gilt crossed the 7% mark on 23-Jun-09 and closed at 7.01%. Given the hardening of G-sec yields, the RBI and the Government took several measures such as unwinding of MSS, purchasing Government securities through OMO, and managing the timing of borrowings in order to limit the adverse impact of the huge government borrowing on private investment. During the current fiscal, so far, the RBI has purchased Government securities to the tune of Rs 298.5 bn through OMO auctions, while MSS unwinding has been of the order of Rs

Fixed Income Indicators		
	Latest period	Previous quarter
15-91 days T-Bill yield (%)	3.3 (as on 30-Jun-09)	4.5 (as on 31-Mar-09)
92-182 days T-Bill yield (%)	3.4 (as on 30-Jun-09)	4.3 (as on 31-Mar-09)
183-364 days T-Bill yield (%)	3.8 (as on 30-Jun-09)	4.8 (as on 31-Mar-09)
10-year G-sec yield (%)	7.0 (as on 30-Jun-09)	7.0 (as on 31-Mar-09)
Repo rate (%)	4.75 (as on 30-Jun-09)	5.0 (as on 31-Mar-09)
Reverse repo rate (%)	3.25 (as on 30-Jun-09)	3.5 (as on 31-Mar-09)
Weighted average call rates	3.2 (as on 30-Jun-09)	5.0 (as on 30-Mar-09)

Source: RBI, CCIL, Reuters

655.0 bn. This has resulted in comfortable liquidity conditions as was apparent from easing of call rates as well as higher recourse to reverse repo window by banks. The daily absorption under the reverse repo window of LAF exceeded Rs 1,000 bn.

Gradual resumption in FII inflows buoys equities

Sentiment in the domestic equity market largely remained bullish during Apr-Jun 09 owing to some resumption in inflows by Foreign Institutional Investors (FIIs). The clear mandate to the UPA government that raised expectations of further economic reforms led the Sensex to post a massive gain of 2,110.79 points in a single day on 18-May-09 to close a little above 14,000 points. While the Sensex witnessed some bouts of bearishness during Jun 09, it crossed the 15,000 mark on 4-Jun-09 once again after a period of nine months. However, gains in equities could not be sustained during the rest of Jun 09 owing to profit booking by investors at regular intervals and uncertainty pertaining to recovery in global economies. The expectations of delay in monsoon, which affected profit projections of the corporate sector also, weighed down the market sentiment. However, resumption in FII inflows provided some support to equities.

FIIs (in equities) witnessed net inflow of Rs 304.6 bn (US\$ 6.3 bn) during Apr-Jun 09 as against a net outflow of Rs 61.5 bn (US\$ 1.5 bn) during Jan-Mar 09. During Apr-May 09, there were two QIPs (Qualified Institutional Placement) and one rights issue, which together mobilised Rs 42.8 bn in the primary market. Some resumption in foreign fund inflows and funds mobilised through QIPs are indicative of gradual easing of funding pressures for corporates.

Indices			
Index	30-Jun-09	31-Mar-09	% Change
Sensex	14,493.84	9,708.50	49.29
S & P CNX Nifty	4,291.10	3,020.95	42.04
NASDAQ	1,835.04	1,528.59	20.05
DOW	8,447.00	7,608.92	11.01
Nikkei	9,958.44	8,109.53	22.80
FTSE	4,249.20	3,926.10	8.23
Hang Sang	18,378.73	13,576.02	35.38
Bovespa	51,465.00	40,926.00	25.75

Sources: Various

Contributed by Dun & Bradstreet India

The views expressed above are those of Dun & Bradstreet. This communication does not constitute insurance/investment advice or an offer to sell, or a solicitation or an offer to purchase or subscribe to any product. Opinions expressed herein do not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this publication.



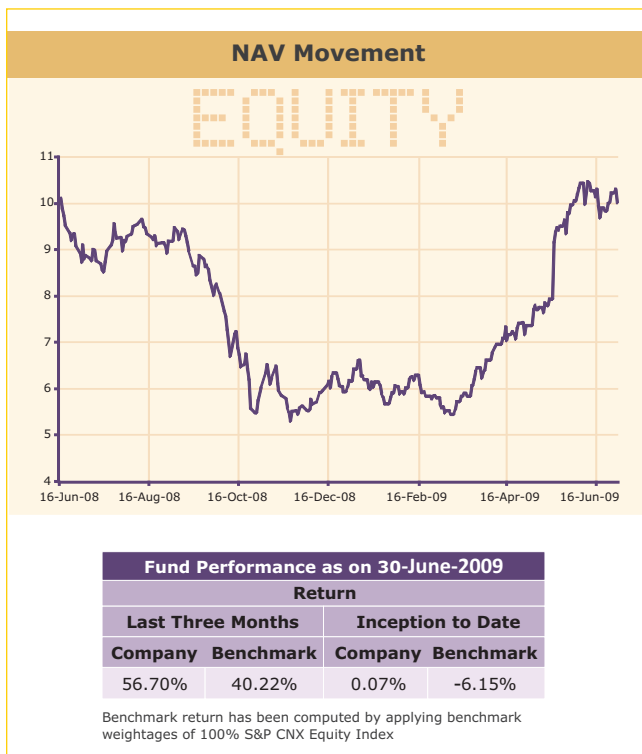
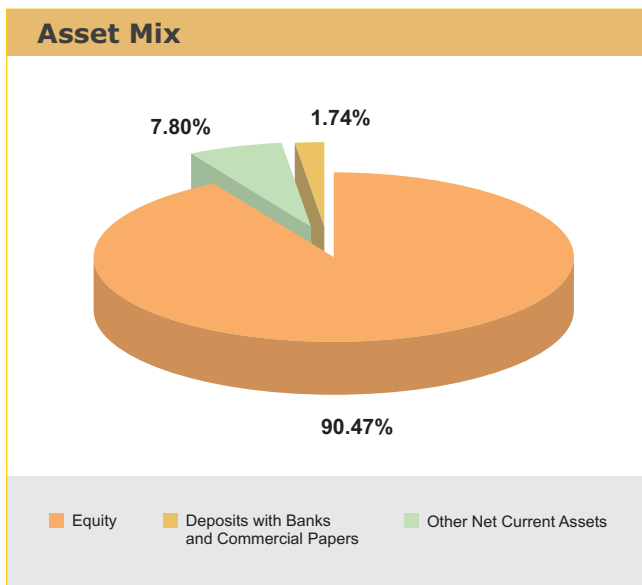
UNIT LINKED EQUITY FUND

The Fund's primary objective is to have high capital appreciation through investment in equities. To maintain liquidity the fund will invest in cash and money market instruments.

Risk Profile - High

Asset Allocation Pattern	
Equity And Equity Related Instruments	60% - 100%
Money Market	0% - 40%

Inception Date: June 16, 2008



PORTFOLIO AS ON JUNE 30, 2009	%
EQUITY	90.47
BANKING SERVICES	11.92
ICICI BANK LTD	4.17
AXIS BANK LTD	3.78
ANDHRA BANK LTD	2.91
PUNJAB NATIONAL BANK	1.06
REFINERY	10.87
RELIANCE INDUSTRIES LTD	5.09
BHARAT PETROLEUM CORP LTD	3.35
CHENNAI PETROLEUM CORPORATION LTD	2.42
PRIME MOVERS	7.34
BHARAT HEAVY ELECTRICALS LIMITED	2.86
CUMMINS INDIA LIMITED	2.56
SUZLON ENERGY LTD	1.92
INDUSTRIAL CONSTRUCTION	7.25
LARSEN & TOUBRO LTD	7.25
FINANCIAL INSTITUTIONS	6.99
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LTD	3.74
RURAL ELECTRIFICATION CORPORATION LTD	3.25
TELECOMMUNICATION SERVICES	6.96
RELIANCE COMMUNICATIONS LTD	3.86
IDEA CELLULAR LTD	3.09
DRUGS & PHARMACEUTICALS	4.23
GLENMARK PHARMACEUTICALS LTD	2.26
LUPIN LTD	1.98
CRUDE OIL & NATURAL GAS	4.03
OIL & NATURAL GAS CORPORATION LTD	4.03
OTHER ELECTRONICS	3.89
BHARAT ELECTRONICS LTD	3.89
BREW/DISTILLERIES	3.32
UNITED SPIRITS LTD	3.32
COMPUTER SOFTWARE	3.22
ONMOBILE GLOBAL LTD	1.77
INFOSYS TECHNOLOGIES LTD	1.45
COMMERCIAL VEHICLES	2.79
ASHOK LEYLAND LTD	2.79
TRANSPORT SUPPORT SERVICES	2.74
CONTAINER CORPORATION OF INDIA LTD	2.74
CEMENT	2.72
GRASIM INDUSTRIES LTD	2.72
CONSTRUCTION EQUIPMENTS	2.44
BEML LTD	2.44
COPPER & COPPER PRODUCTS	2.36
STERILITE INDUSTRIES LTD	2.36
PASSENGER CARS	1.90
MARUTI SUZUKI INDIA LTD	1.90
ELECTRICITY GENERATION	1.88
RELIANCE INFRASTRUCTURE LTD	1.88
AUTO ANCILLARY	1.44
APOLLO TYRES LTD	1.44
COSMETICS ETC.	1.23
COLGATE PALMOLIVE INDIA LTD	1.23
PESTICIDES	0.94
UNITED PHOSPHORUS LTD	0.94
DEPOSITS WITH BANKS AND COMMERCIAL PAPERS	1.74
CANARA BANK FD 2010	0.52
HDFC BANK LTD FD 2010	0.41
BAJAJ AUTO FINANCE LTD CP 2010	0.37
STATE BANK OF INDORE FD 2010	0.26
BANK OF BARODA FD 2010	0.17
OTHER NET CURRENT ASSETS	7.80
TOTAL	100.00



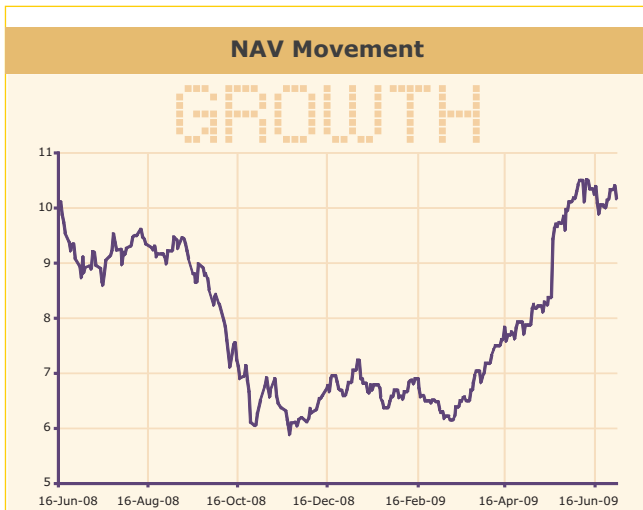
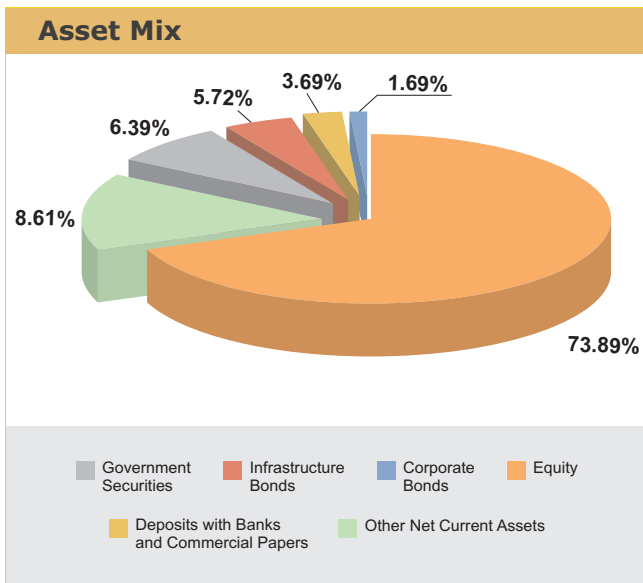
UNIT LINKED GROWTH FUND

This fund invests in listed equities and high quality fixed income and money market instruments. The fund intends to adopt a relatively aggressive approach towards bonds and equities with the objective of achieving capital appreciation.

Risk Profile - Medium to High

Asset Allocation Pattern	
Equity And Equity Related Instruments	50% - 90%
Debt Securities	10% - 50%
Money Market	0% - 40%

Inception Date: June 16, 2008



Fund Performance as on 30-June-2009			
Return			
Last Three Months		Inception to Date	
Company	Benchmark	Company	Benchmark
45.73%	32.61%	1.69%	-2.98%

Benchmark return has been computed by applying benchmark weightages of 80% S&P CNX Equity Index and 20% CRISIL Composite Bond Fund Index

PORTFOLIO AS ON JUNE 30, 2009	%
EQUITY	73.89
BANKING SERVICES	11.66
ICICI BANK LTD	4.09
AXIS BANK LTD	3.24
ANDHRA BANK LTD	2.64
PUNJAB NATIONAL BANK	1.69
REFINERY	8.63
RELIANCE INDUSTRIES LTD	4.06
BHARAT PETROLEUM CORP LTD	2.63
CHENNAI PETROLEUM CORPORATION LTD	1.94
PRIME MOVERS	5.85
BHARAT HEAVY ELECTRICALS LIMITED	2.28
CUMMINS INDIA LIMITED	2.04
SUZLON ENERGY LTD	1.53
INDUSTRIAL CONSTRUCTION	5.78
LARSEN & TOUBRO LTD	5.78
FINANCIAL INSTITUTIONS	5.51
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LTD	2.99
RURAL ELECTRIFICATION CORPORATION LTD	2.52
TELECOMMUNICATION SERVICES	5.50
RELIANCE COMMUNICATIONS LTD	3.05
IDEA CELLULAR LTD	2.46
DRUGS & PHARMACEUTICALS	3.36
GLENMARK PHARMACEUTICALS LTD	1.80
LUPIN LTD	1.56
CRUDE OIL & NATURAL GAS	3.19
OIL & NATURAL GAS CORPORATION LTD	3.19
OTHER ELECTRONICS	3.09
BHARAT ELECTRONICS LTD	3.09
BREW/DISTILLERIES	2.65
UNITED SPIRITS LTD	2.65
COMPUTER SOFTWARE	2.50
ONMOBILE GLOBAL LTD	1.40
INFOSYS TECHNOLOGIES LTD	1.09
COMMERCIAL VEHICLES	2.22
ASHOK LEYLAND LTD	2.22
CEMENT	2.16
GRASIM INDUSTRIES LTD	2.16
TRANSPORT SUPPORT SERVICES	2.13
CONTAINER CORPORATION OF INDIA LTD	2.13
CONSTRUCTION EQUIPMENTS	1.93
BEML LTD	1.93
COPPER & COPPER PRODUCTS	1.81
STERLITE INDUSTRIES LTD	1.81
PASSENGER CARS	1.53
MARUTI SUZUKI INDIA LTD	1.53
ELECTRICITY GENERATION	1.47
RELIANCE INFRASTRUCTURE LTD	1.47
AUTO ANCILLARY	1.16
APOLLO TYRES LTD	1.16
COSMETICS ETC.	1.00
COLGATE PALMOLIVE INDIA LTD	1.00
PESTICIDES	0.75
UNITED PHOSPHORUS LTD	0.75
GOVERNMENT SECURITIES	6.39
6.07% GOI 2014	2.65
7.56% GOI 2014	1.95
5.87% GOI 2010	0.72
6.05% GOI 2019	0.59
6.49% GOI 2015	0.49
CORPORATE BONDS	1.69
9.50% EXPORT IMPORT BANK 2013	1.31
10.10% RELIANCE INDUSTRIES LTD 2011	0.27
10% ICICI BANK LTD 2017	0.11
INFRASTRUCTURE BONDS	5.72
7.24% LIC HOUSING FINANCE LTD 2011	1.10
6.84% HDFC LTD 2011	1.09
9.40% POWER FINANCE CORPORATION LTD 2013	1.00
8.75% IRFC LTD 2013	0.79
9.80% POWER FINANCE CORPORATION LTD 2012	0.57
9.47% POWER GRID CORPORATION 2014	0.53
9.47% POWER GRID CORPORATION 2012	0.39
9.79% IDFC LTD 2009	0.22
9.45% REC LTD 2013	0.03
DEPOSITS WITH BANKS AND COMMERCIAL PAPERS	3.69
STATE BANK OF INDORE FD 2010	1.95
IDBI BANK FD 2010	0.98
BAJAJ AUTO FINANCE LTD CP 2010	0.49
CANARA BANK FD 2010	0.27
OTHER NET CURRENT ASSETS	8.61
TOTAL	100.00



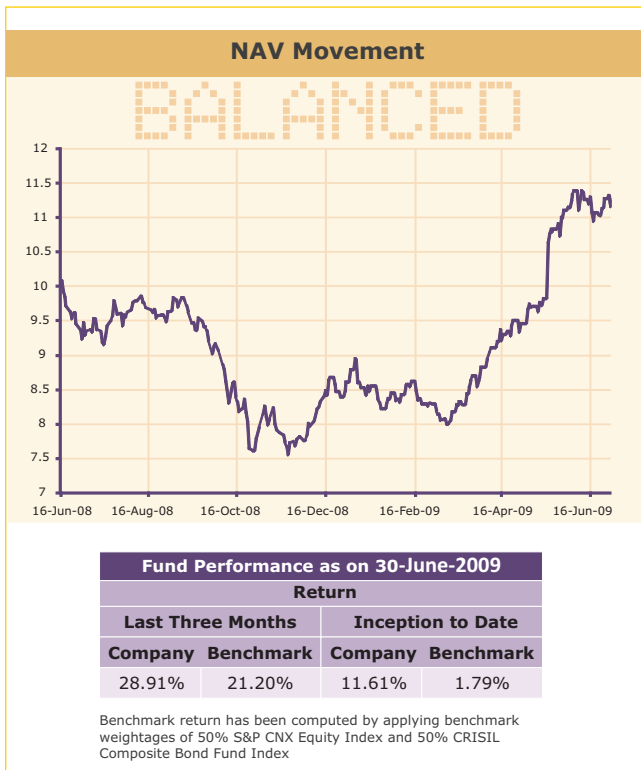
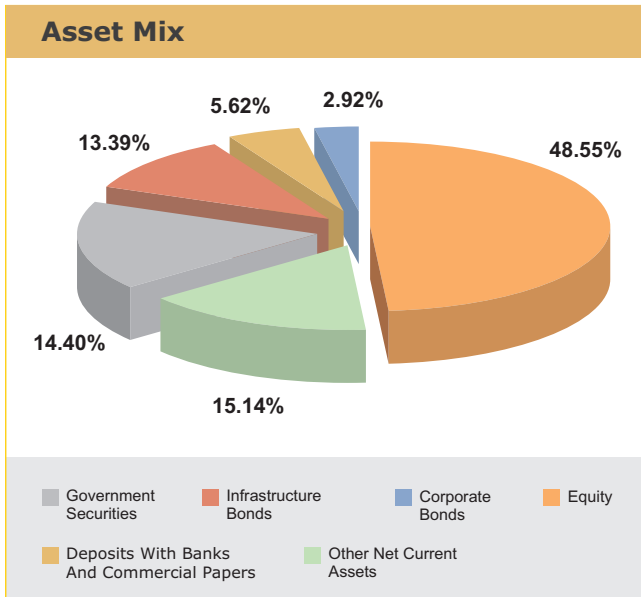
UNIT LINKED BALANCED FUND

This fund adopts a relatively balanced approach towards bonds and equities exposure with the objective of achieving capital appreciation with minimal short-term performance volatility.

Risk Profile - Medium

Asset Allocation Pattern	
Equity And Equity Related Instruments	30% - 70%
Debt Securities	30% - 70%
Money Market	0% - 40%

Inception Date: June 16, 2008



PORTFOLIO AS ON JUNE 30, 2009	%
EQUITY	48.55
BANKING SERVICES	9.53
ICICI BANK LTD	3.04
AXIS BANK LTD	2.25
ANDHRA BANK LTD	2.23
PUNJAB NATIONAL BANK	2.01
REFINERY	5.38
RELIANCE INDUSTRIES LTD	2.52
BHARAT PETROLEUM CORP LTD	1.64
CHENNAI PETROLEUM CORPORATION LTD	1.22
INDUSTRIAL CONSTRUCTION	3.68
LARSEN & TOUBRO LTD	3.68
PRIME MOVERS	3.66
BHARAT HEAVY ELECTRICALS LIMITED	1.42
CUMMINS INDIA LIMITED	1.27
SUZLON ENERGY LTD	0.98
FINANCIAL INSTITUTIONS	3.43
INFRASTRUCTURE DEVELOPMENT FINANCE COMPANY LTD	1.84
RURAL ELECTRIFICATION CORPORATION LTD	1.59
TELECOMMUNICATION SERVICES	3.43
RELIANCE COMMUNICATIONS LTD	1.91
IDEA CELLULAR LTD	1.52
DRUGS & PHARMACEUTICALS	2.08
GLENMARK PHARMACEUTICALS LTD	1.12
LUPIN LTD	0.97
CRUDE OIL & NATURAL GAS	2.00
OIL & NATURAL GAS CORPORATION LTD	2.00
OTHER ELECTRONICS	1.90
BHARAT ELECTRONICS LTD	1.90
BREW/DISTILLERIES	1.67
UNITED SPIRITS LTD	1.67
COMPUTER SOFTWARE	1.57
ONMOBILE GLOBAL LTD	0.87
INFOSYS TECHNOLOGIES LTD	0.70
COMMERCIAL VEHICLES	1.41
ASHOK LEYLAND LTD	1.41
TRANSPORT SUPPORT SERVICES	1.40
CONTAINER CORPORATION OF INDIA LTD	1.40
CEMENT	1.35
GRASIM INDUSTRIES LTD	1.35
CONSTRUCTION EQUIPMENTS	1.17
BEML LTD	1.17
COPPER & COPPER PRODUCTS	1.12
STERLITE INDUSTRIES LTD	1.12
PASSENGER CARS	0.97
MARUTI SUZUKI INDIA LTD	0.97
ELECTRICITY GENERATION	0.92
RELIANCE INFRASTRUCTURE LTD	0.92
AUTO ANCILLARY	0.74
APOLLO TYRES LTD	0.74
COSMETICS ETC.	0.64
COLGATE PALMOLIVE INDIA LTD	0.64
PESTICIDES	0.48
UNITED PHOSPHORUS LTD	0.48
GOVERNMENT SECURITIES	14.40
6.07% GOI 2014	6.48
7.56% GOI 2014	4.58
6.05% GOI 2019	1.67
6.49% GOI 2015	0.90
5.87% GOI 2010	0.78
CORPORATE BONDS	2.92
9.50% EXPORT IMPORT BANK 2013	2.52
10.10% RELIANCE INDUSTRIES LTD 2011	0.20
10% ICICI BANK LTD 2017	0.19
INFRASTRUCTURE BONDS	13.39
7.24% LIC HOUSING FINANCE LTD 2011	3.07
8.75% IRFC LTD 2013	3.00
6.84% HDFC LTD 2011	2.47
9.40% POWER FINANCE CORPORATION LTD 2013	2.20
9.47% POWER GRID CORPORATION 2014	0.87
9.47% POWER GRID CORPORATION 2012	0.82
9.80% POWER FINANCE CORPORATION LTD 2012	0.53
9.79% IDFC LTD 2009	0.37
9.45% REC LTD 2013	0.06
DEPOSITS WITH BANKS AND COMMERCIAL PAPERS	5.62
STATE BANK OF INDORE FD 2010	1.89
BAJAJ AUTO FINANCE LTD CP 2010	1.77
IDBI BANK FD 2010	1.60
CANARA BANK FD 2010	0.36
OTHER NET CURRENT ASSETS	15.14
TOTAL	100.00

All the above fixed income instruments are rated AAA/P1 + or equivalent. Past performance of the investment funds do not indicate the future performance of the same



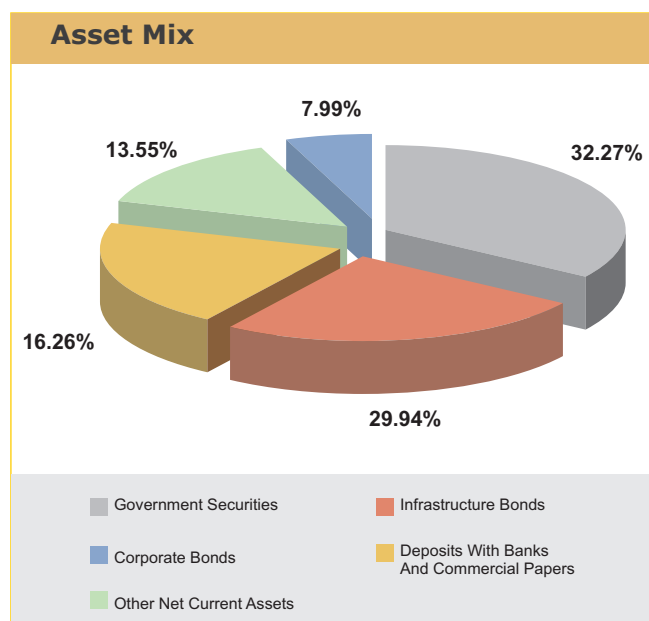
UNIT LINKED DEBT & LIQUID FUNDS

UNIT LINKED DEBT FUND

This fund invests in a portfolio of high quality bonds and other fixed and floating rate securities issued by the Government, Government agencies and corporate issuers. To Maintain liquidity, the fund invests in the money market instruments.

Risk Profile - Low to Medium

Asset Allocation Pattern	
Debt Securities	60% - 100%
Money Market	0% - 40%
Inception Date: July 10, 2008	

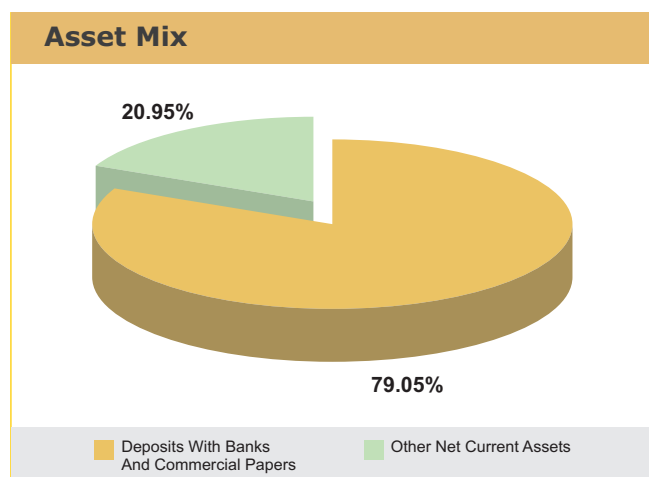


PORTFOLIO AS ON JUNE 30, 2009	%
GOVERNMENT SECURITIES	32.27
6.07% GOI 2014	10.64
7.56% GOI 2014	10.14
5.87% GOI 2010	6.11
6.05% GOI 2019	3.22
6.49% GOI 2015	2.17
CORPORATE BONDS	7.99
9.50% EXPORT IMPORT BANK 2013	5.56
10.10% RELIANCE INDUSTRIES LTD 2011	1.36
10% ICICI BANK LTD 2017	1.07
INFRASTRUCTURE BONDS	29.94
8.75% IRFC LTD 2013	6.66
9.40% POWER FINANCE CORPORATION LTD 2013	5.59
6.84% HDFC LTD 2011	5.27
7.24% LIC HOUSING FINANCE LTD 2011	4.58
9.47% POWER GRID CORPORATION 2014	2.27
9.79% IDFC LTD 2009	2.19
9.80% POWER FINANCE CORPORATION LTD 2012	1.50
9.47% POWER GRID CORPORATION 2012	1.20
9.45% REC LTD 2013	0.68
DEPOSITS WITH BANKS AND COMMERCIAL PAPERS	16.26
IDBI BANK FD 2010	4.32
BAJAJ AUTO FINANCE LTD CP 2010	4.27
CANARA BANK FD 2010	3.45
STATE BANK OF INDORE FD 2010	2.36
BANK OF BARODA FD 2010	0.91
CORPORATION BANK FD 2010	0.76
ORIENTAL BANK OF COMMERCE FD 2010	0.18
OTHER NET CURRENT ASSETS	13.55
TOTAL	100.00

This fund primarily invests in portfolio constituted of money market and high quality debt securities.

Risk Profile - Low

Asset Allocation Pattern	
Debt Securities	0% - 60%
Money Market	40% - 100%
Inception Date: July 15, 2008	



UNIT LINKED LIQUID FUND

PORTFOLIO AS ON JUNE 30, 2009	%
DEPOSITS WITH BANKS AND COMMERCIAL PAPERS	79.05
ALLAHABAD BANK FD 2010	5.50
ANDHRA BANK FD 2010	5.50
AXIS BANK LTD FD 2010	8.11
BAJAJ AUTO FINANCE LTD CP 2010	3.00
BANK OF BARODA FD 2010	4.06
CANARA BANK FD 2010	7.82
CORPORATION BANK FD 2010	8.10
HDFC BANK LTD FD 2010	4.34
IDBI BANK FD 2010	7.70
ORIENTAL BANK OF COMMERCE FD 2010	2.32
STATE BANK OF BIKANER & JAIPUR FD 2010	1.45
STATE BANK OF INDIA FD 2010	2.90
STATE BANK OF INDORE FD 2010	8.69
UCO BANK FD 2010	5.79
UNION BANK OF INDIA FD 2010	3.77
OTHER NET CURRENT ASSETS	20.95
TOTAL	100.00



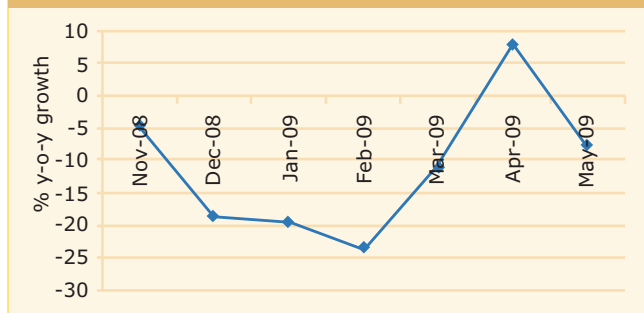
INSURANCE UPDATE

Pace of Contraction in Life Insurance APE Slows Down

During the first two months (Apr-May) of FY10, the Indian life insurance industry posted a marginal decline of 1.82% (y-o-y) in Annual Premium Equivalent (APE), which indicated a sluggish growth in new business gained by insurance companies. The decline in APE was mainly on account of weak performance by private players. Besides, premium collections are typically flat during the first three months of the fiscal. While the Life Insurance Corporation of India, the largest and only public player, registered a 15.44% (y-o-y) growth in APE, the private sector recorded a 12.46% (y-o-y) decline in APE. Another factor that contributed to the decline in APE was the dismal performance in the individual premium (single and non-single) segment. In the first two months of the current fiscal (FY10), individual single premium and individual non-single premium declined by 7.64% (y-o-y) and 11.88% (y-o-y), respectively. However, the group single premium and group non-single premium registered robust y-o-y growth rates of 62.07% and 114.90%, respectively.

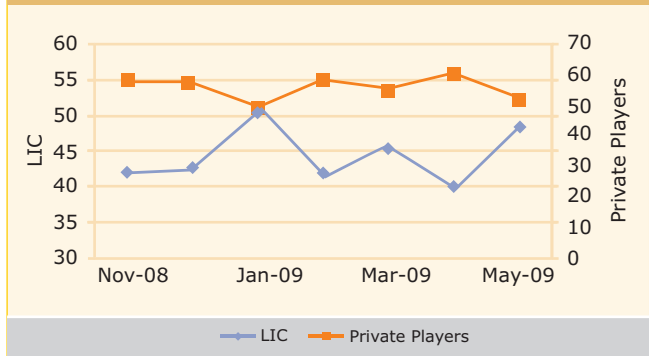
Despite the slowdown in the number of premiums underwritten, recent entrants into the life insurance industry such as Canara HSBC Oriental Bank of Commerce Life Insurance Company Limited have had a

Growth in Annual Premium Equivalent (APE) of the Life Insurance Industry



Source: IRDA Journal

Trend in Market Share (% , APE basis)



Source: IRDA Journal

good year. The Company registered growth rates of 22% (q-o-q) and 84% (q-o-q) for the Dec 08 and Mar 09 quarters respectively on a WPI (Weighted Premium Income) basis. Further, for the period Apr-May 09, the Company ranked ninth* amongst twenty one private players in terms of market share on WPI basis.

Group Insurance Sales Surge

The underwriting of first year premiums for group insurance policies grew by 73.4% (y-o-y) during Apr-May 09, despite a slowdown in the life insurance segment. New first-year premium collection under group insurance schemes rose to Rs 29.19 bn during Apr-May 09 against Rs 16.84 bn in the year-ago period. Industry experts attributed this growth to a rise in number of public and private sector companies that approached insurers. Further, growing awareness in India about benefits of group insurance schemes also encouraged firms to approach insurers to diversify their risk.

Contributed by Dun & Bradstreet India

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* Derived from figures published in IRDA Journal, July 2009

Disclosures:

- The various funds offered are the names of the funds and do not, in any way indicate the quality of these funds, their future prospects and returns.
- Unit Linked Life Insurance products are different from traditional insurance products and are subject to risk factors.
- Unit Linked Funds are subject to market risks and there is no assurance or guarantee that the objective of the investment fund will be achieved.
- Past performance of the investment funds do not indicate the future performance of the same. Investors in the Scheme are not being offered any guaranteed / assured results.
- Insurance is the subject matter of the solicitation.
- The premiums paid in Unit-Linked Life Insurance policies are subject to investment risk associated with capital markets. The NAVs of the units may go up or down based on the performance of the fund and factors influencing the capital market and the insured is responsible for his/her decisions.
- The investment risk in Investment Portfolio is borne by the policyholder.
- For more details on risk factors, terms and conditions please read sales brochure carefully before concluding a sale.

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