

# RE:CM MONEY MARKET Fund (Class A)

Period ended 31 August 2013

<b>Portfolio Manager</b>	Piet Viljoen, Sean Neethling
<b>Sector</b>	South African Interest Bearing Money Market
<b>Inception Date</b>	1 October 2010
<b>Total Fund Size</b>	R1.5 billion
<b>Fund Size (Class A)</b>	R441.4 million
<b>Benchmark</b>	SteFI Call Rate
<b>Min. Investment</b>	R150,000 initial investment
<b>Fund Status</b>	Open
<b>Initial Fee</b>	No initial fee
<b>Annual Fee (Class A)</b>	0.15% annual fee excl. VAT
<b>Total Expense Ratio</b>	0.19%
<b>Income Declarations</b>	Monthly distributions are paid in cents per unit
<b>Regulation 28</b>	Does not comply

## About the Fund

The RE:CM Money Market Fund comprises a diversified combination of money market instruments.

## Fund Objective

The Fund aims to maximise interest income, preserve capital and provide liquidity. This Fund is also suitable for risk averse investors seeking a temporary, safe holding vehicle in times of market uncertainty. Investors seeking capital preservation, requiring regular interest income and liquidity should invest in this fund.

## Risk Measures

Capital losses are unlikely but can occur. For example, should one of the issuers of an asset held within the underlying Fund default and a loss occur, this loss will be borne by the Fund and the investors.

## RISK STATISTICS AND PORTFOLIO DETAIL

### FUND RISK PROFILE



Effective yield (%) as at 31 August 2013 (net of fees)	5.7
Fund duration (days)	88

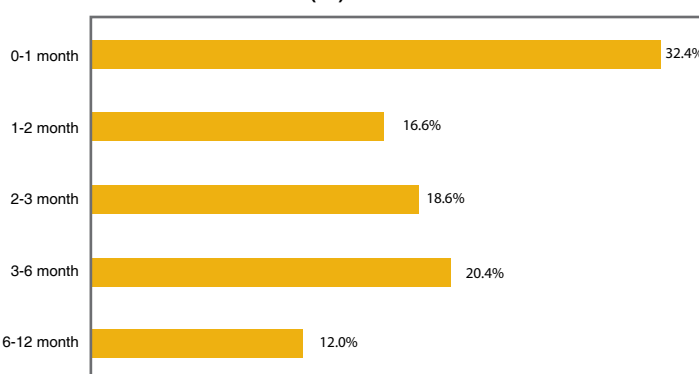
### CREDIT EXPOSURE (%)

August 2013	
Government & Parastatals	0.0
Corporates	11.0
Banks	89.0
<b>Total</b>	<b>100.0</b>

### COUNTERPARTY EXPOSURE (%)

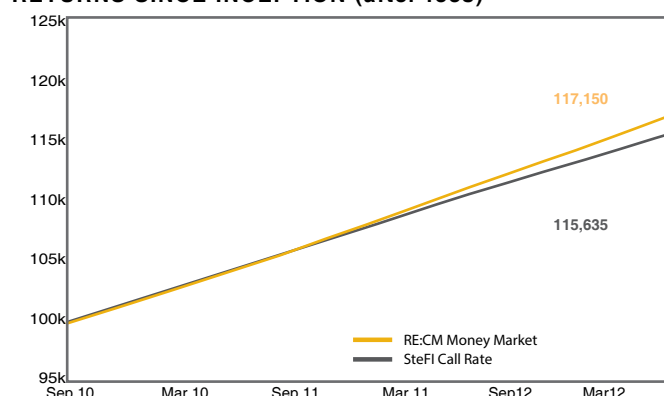
August 2013	
Nedbank	25.0
ABSA	23.0
Investec	18.0
Standard Bank	16.0
Corporates	11.0
Firstrand	7.0
National Treasury	0.0
<b>Total</b>	<b>100.0</b>

### DURATION BREAKDOWN (%)



## PERFORMANCE AND COMMENTARY

### RETURNS SINCE INCEPTION (after fees)



### MONTHLY RETURNS

Sep '12	Oct '12	Nov '12	Dec '12	Jan '13	Feb '13
0.44%	0.45%	0.44%	0.44%	0.45%	0.41%
Mar '13	Apr '13	May '13	Jun '13	Jul '13	Aug '13
0.46%	0.45%	0.46%	0.45%	0.46%	0.47%

### RETURNS TO END AUGUST 2013

	Fund	Benchmark
1 Year	5.5%	4.7%
2 Years	5.7%	5.0%
Since Inception	5.6%	5.1%

### INVESTMENT COMMENT

The RE:CM Money Market Fund generated an income yield of 5.7% as at 31 August 2013. Fund duration has increased from 85 days to 88 days as volatility in the bond and currency market continues to provide opportunity to benefit from longer maturity money market rates. Headline inflation increased from 5.5% in June to 6.3% in July and came in above the market expectation of 6.2%. The increase is mainly attributable to increased water and electricity costs, as well as the 84 cents per litre increase in the petrol price. Core inflation which excludes fuel, energy and food costs remains contained within the Reserve Bank's 3% to 6% target band, with only a slight increase from 5.1% in June to 5.2% in July. Domestic GDP growth came in at 3% for the second quarter of the year and registered at 2% on an annualised basis. Floating rate instruments are currently offering less value than fixed rate instruments and we have therefore maintained fund duration at the upper end of the regulated 90 days maximum. We continue to look for value in the corporate bond market and have increased exposure to 11% of the Fund.

Tel: +27 21 657 3440

Fax: +27 21 674 1088

Email: [info@reem.co.za](mailto:info@reem.co.za)

Website: [www.reem.co.za](http://www.reem.co.za)

**Disclaimer:** Collective Investment Schemes in Securities (Unit trusts) are generally medium to long term investments. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices and can engage in borrowing and scrip lending. The manager may borrow up to 10% of the market value of the portfolio where insufficient liquidity exists. A schedule of fees and charges and maximum commissions is available on request from the management company, RE:CM Collective Investments (Pty) Ltd (RE:CM). Commission and incentives may be paid and if so, would be included in the overall costs. The price of each unit in the RE:CM Money Market Fund is aimed at a constant value. The total return to the investor is primarily made up of interest received but, may also include any gain or loss made on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the Fund. Forward pricing is used. Funds are valued daily at 15h00 with the exception of the RE:CM Money Market Fund which is valued before 18h00. Instructions must reach RE:CM before 14h00 to ensure same day value (11h00 for the RE:CM Money Market Fund). Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Different classes of units apply to these portfolios and are subject to different fees and charges. Unit trust prices are calculated on a net asset value basis, defined as the total market value of all assets in the unit portfolio including any income accruals and less any permissible deductions (brokerage, uncertified securities tax, VAT, auditors' fees, bank charges, custodian fees, trustee fees, annual management fee and performance fees) from the portfolio divided by the number of units in issue. These portfolios may be closed. RE:CM Collective Investments (Pty) Ltd, Company Registration Number: 2004/027540/07, is a member of the Association for Savings and Investment SA (ASISA). Trustees: The Standard Bank of SA Limited, PO Box 54, Cape Town, 8000. \*Acting under supervision from Piet Viljoen.