

RECM MONEY MARKET Fund (Class A)

Period ended 31 December 2013

RE·CM

YOUR CAPITAL FIRST

Portfolio Manager	Piet Viljoen, Sean Neethling
Sector	South African Interest Bearing Money Market
Inception Date	1 October 2010
Total Fund Size	R1.8 billion
Fund Size (Class A)	R533.1 million
Benchmark	SteFI Call Rate
Min. Investment	R150,000 initial investment
Fund Status	Open
Initial Fee	No initial fee
Annual Fee (Class A)	0.15% annual fee excl. VAT
Total Expense Ratio	0.19%
Income Declarations	Monthly distributions are paid in cents per unit
Regulation 28	Does not comply

About the Fund

The RECM 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

LOW	LOW-MODERATE	MODERATE	MODERATE-HIGH	HIGH
-----	--------------	----------	---------------	------

Effective yield (%) as at 31 December 2013 (net of fees)	5.8
Fund duration (days)	80

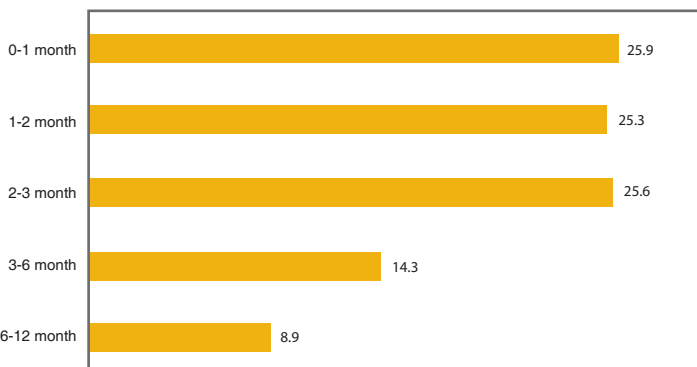
CREDIT EXPOSURE (%)

December 2013	
Government & Parastatals	0.0
Corporates	3.0
Banks	97.0
Total	100.0

COUNTERPARTY EXPOSURE (%)

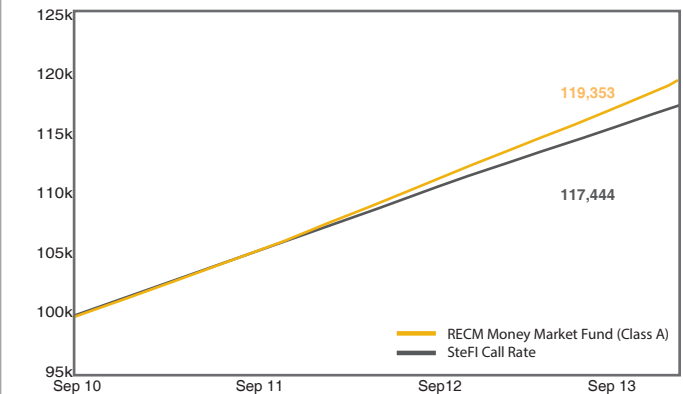
December 2013	
Standard Bank	26.0
Nedbank	21.0
ABSA	18.0
Firststrand	17.0
Investec	15.0
Corporates	3.0
National Treasury	0.0

DURATION BREAKDOWN (%)



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



MONTHLY RETURNS

Jan '13	Feb '13	Mar '13	Apr '13	May '13	Jun '13
0.45%	0.41%	0.46%	0.45%	0.46%	0.45%
Jul '13	Aug '13	Sep '13	Oct '13	Nov '13	Dec '13
0.46%	0.47%	0.45%	0.48%	0.46%	0.48%

RETURNS TO END DECEMBER 2013

	Fund	Benchmark
1 Year	5.6%	4.7%
3 Years	5.6%	5.0%
Since Inception	5.6%	5.1%

INVESTMENT COMMENT

The RECM Money Market Fund generated an income yield of 5.8% against the benchmark yield of 4.7% as at 31 December 2013. Domestic headline inflation decreased to 5.3% in November from 5.5% in October which is within the SARB's 3 to 6% target range. The Rand continues to be under pressure following the US Federal Reserve's decision to begin tapering quantitative easing from January 2014. The fund's duration remains relatively unchanged at 80 days. There is approximately a 50% weighting between fixed and floating instruments in the portfolio and longer dated fixed instruments have recently been acquired due to the longer end of the yield curve showing value following the Rand weakness. Corporate bonds are currently not offering much value but we continue to look in both the primary and secondary markets for higher quality assets.

Tel: +27 21 657 3440

Fax: +27 21 674 1088

Email: info@reem.co.za

Website: 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 (RECM). Commission and incentives may be paid and if so, would be included in the overall costs. The price of each unit in the RECM 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 RECM 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 the supervision of Piet Viljoen.

A MEMBER OF THE ASSOCIATION FOR SAVINGS & INVESTMENT SA