

# RE:CM MONEY MARKET Fund

Period ended 29 February 2012

<b>Portfolio Manager</b>	Piet Viljoen, Thompson Ganyeka
<b>Sector</b>	Domestic Fixed Interest Money Market
<b>Inception Date</b>	1 October 2010
<b>Fund Size</b>	R1.2 billion
<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

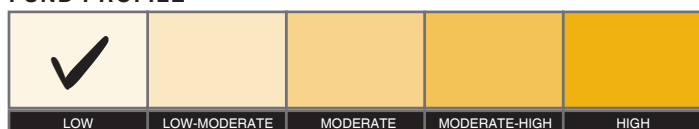
The Fund aims to maximise interest income, preserve capital and provide liquidity. This Fund is also suitable for risk averse investors seeking a temporary, safe holding vehicle in times of market uncertainty. Investors seeking capital preservation, requiring regular interest income and liquidity should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



• This fund has a low risk profile

### EFFECTIVE YIELD

7 day rolling average as at 29 February 2012 (net of fees)	5.8%
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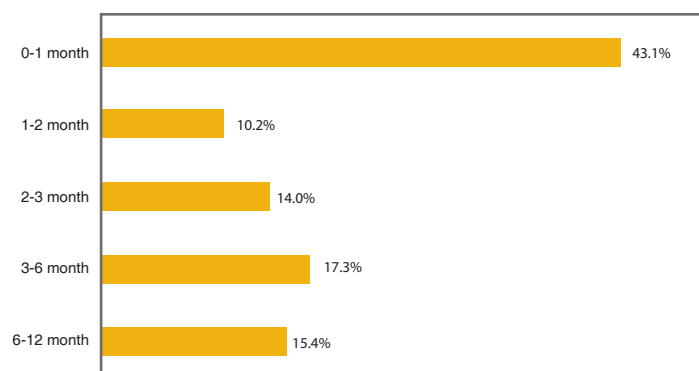
### CREDIT EXPOSURE (%)

February 2012	
Government and Parastatals	0.0
Corporates	2.0
Banks	98.0
<b>TOTAL</b>	<b>100.0</b>

### COUNTERPARTY EXPOSURE (%)

February 2012	
ABSA	27.0
Standard Bank	20.0
Firstrand	9.0
Nedbank	27.0
Investec	15.0
SABSA	2.0
<b>Total</b>	<b>100.0</b>

### DURATION BREAKDOWN (%)



## PERFORMANCE AND COMMENTARY

### INCOME DISTRIBUTIONS

Month	Cents Per Unit Class A
31 March 2011	0.43
30 April 2011	0.44
31 May 2011	0.38
30 June 2011	0.43
31 July 2011	0.46
31 August 2011	0.42
30 September 2011	0.51
31 October 2011	0.47
30 November 2011	0.54
31 December 2011	0.45
31 January 2012	0.48
29 February 2012	0.46

### RETURNS TO END FEBRUARY 2012

Term	Fund	Benchmark	Sector Average
1 Year	5.6%	5.3%	5.5%
Since Inception	5.5%	5.4%	5.6%

### INVESTMENT COMMENT

The fund was yielding 5.8% at the end of February compared to its benchmark yield of 5.4%. This yield was mainly driven by our capital allocation into higher yielding deposit instruments. During the month we allocated 3% of the fund to the longer end of the money market yield curve (the longest duration being 12 months). The fund's duration of 89.6 days is marginally higher than January's duration of 87 days. The reason for investing in the long end of the curve is because the money market yield curve is steep and the long end of the curve is offering higher yields. The fund also currently has a 57% to 43% split in floating and fixed rate instruments respectively. About half of the 3 month step-up deposits are now earning the equivalent of 10 months yield. Headline inflation for January remained above the upper target of 6% at 6.3%. The big surprise was the upward move in core inflation from 3.9% to 4.3%, revealing that the demand side of inflation is beginning to pick up. Should core inflation continue to move upwards in the short-term the Reserve Bank may increase interest rates to contain the growth. Headline inflation is expected to remain high in the short-term due to higher energy prices.

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