

# RE:CM MONEY MARKET Fund

Period ended 31 January 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 31 January 2012 (gross of fees)	5.8%
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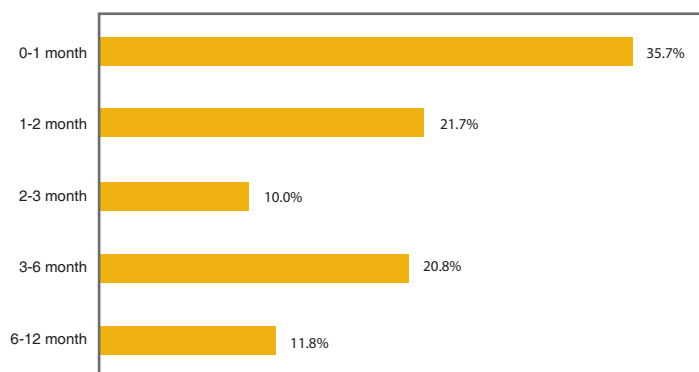
### CREDIT EXPOSURE (%)

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

### COUNTERPARTY EXPOSURE (%)

January 2012	
ABSA	25.0
Standard Bank	18.0
Firstrand	13.0
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
28 February 2011	0.35
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

### RETURNS TO END JANUARY 2012

Term	Fund	Benchmark	Sector Average
1 Year	5.6%	5.3%	5.5%
Since Inception	5.5%	5.4%	5.7%

### INVESTMENT COMMENT

The RE:CM Money Market Fund continues to maintain a high duration of 87 days compared to the legal limit of 90 days. This is mainly due to the fact that the fund has invested in the long-end of the yield curve where income yields were high in January. The Reserve Bank left interest rates unchanged in January because they believe that current interest rate levels are supporting the weak local economy. Short-term rates are also likely to remain volatile due to the ongoing uncertainty created by the European debt crisis. The fund was yielding 5.8% as at the end of January 2012. Inflation is expected to continue to rise on the back of higher grain prices and a weaker currency. Maize prices are currently trading at new highs while core inflation (which excludes commodity prices) has remained fairly flat due to subdued credit consumption. While retail sales have grown reasonably, the household credit consumption remains weak compared to its long-term average. The US Federal Committee indicated that it will keep short-term rates low until late 2014 despite rising inflation. This is a strong statement from the Fed that they will continue to offer cheap money and this will continue to boost asset prices globally. This policy is likely to have an effect on how the local MPC react to inflation in the near future. The European debt crisis remains the pressure point to influence an interest rate hike or cut by the MPC. This pressure point could be exacerbated by the French and US elections this year.

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