

RE:CM MONEY MARKET Fund (Class A)

Period ended 31 July 2013

Portfolio Manager	Piet Viljoen, Sean Neethling
Sector	South African Interest Bearing Money Market
Inception Date	1 October 2010
Total Fund Size	R1.4 billion
Fund Size (Class A)	R301.0 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 RE:CM Money Market Fund comprises a diversified combination of money market instruments.

Fund Objective

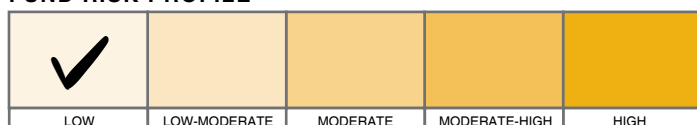
The Fund aims to maximise interest income, preserve capital and provide liquidity. This Fund is also suitable for risk averse investors seeking a temporary, safe holding vehicle in times of market uncertainty. Investors seeking capital preservation, requiring regular interest income and liquidity should 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 July 2013 (net of fees)	5.6
Fund duration (days)	84.8

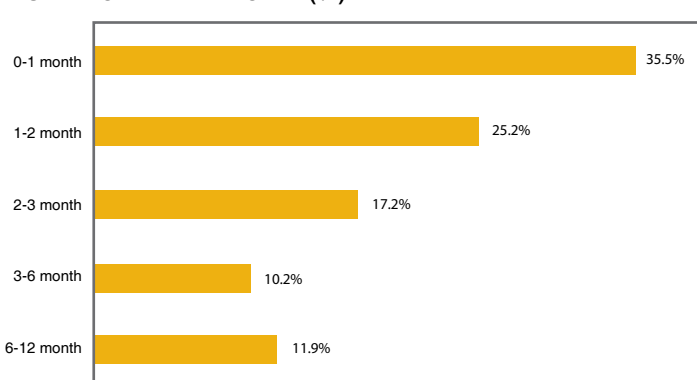
CREDIT EXPOSURE (%)

July 2013	
Government & Parastatals	0.0
Corporates	7.0
Banks	93.0
Total	100.0

COUNTERPARTY EXPOSURE (%)

July 2013	
Nedbank	30.0
ABSA	23.0
Investec	18.0
Standard Bank	15.0
Corporates	7.0
Firstrand	7.0
National Treasury	0.0
Total	100.0

DURATION BREAKDOWN (%)



PERFORMANCE AND COMMENTARY

INCOME DISTRIBUTIONS

Month	Cents Per Unit Class A
31 August 2012	0.45
30 September 2012	0.44
31 October 2012	0.45
30 November 2012	0.44
31 December 2012	0.44
31 January 2013	0.45
28 February 2013	0.41
31 March 2013	0.46
30 April 2013	0.45
31 May 2013	0.46
30 June 2013	0.45
31 July 2013	0.46

RETURNS TO END JULY 2013

	Fund	Benchmark
1 Year	5.5%	4.7%
Since Inception	5.6%	5.1%

INVESTMENT COMMENT

The RE:CM Money Market Fund generated an income yield of 5.6% at the end of July 2013, against the benchmark yield of 4.8%. Fund duration was increased from 79 days in June to 85 days at the end of July. Longer term rates continue to offer good value relative to the shorter maturities and we have therefore maintained duration towards the higher end of the regulated maximum of 90 days. The Reserve Bank left the repo rate at 5% following its July MPC meeting. Rising inflation and slow domestic growth were cited as the main reasons for keeping monetary policy unchanged. June CPI decreased from 5.6% in May to 5.5% and came in below the market consensus of 5.8%. Inflation is however expected to come under pressure through general pass-through effects of a weaker Rand and an increase in the petrol price by 32c/litre in August. The Reserve Bank is currently in a stagflationary bind with limited room to adjust rates in the short term despite forward markets continuing to price in rate hikes over the next 12 months. Moody's affirmed the country's Baa1 credit rating with a negative outlook attributable to concerns around government fiscal policy and labour relations in the mining industry. A deterioration in the country's credit rating will further increase borrowing costs by raising longer term bond rates. The fund remains competitively positioned in the current interest rate cycle. A combination of low fees and higher yielding floating rate notes continues to provide incremental yield pickup over current market rates. Recent volatility in bond and currency markets has also provided opportunity to benefit from longer maturity rates.

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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.