

RE:CM MONEY MARKET Fund (Class A)

Period ended 31 October 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	R1.5 billion
Fund Size (Class A)	R435.5 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

LOW	LOW-MODERATE	MODERATE	MODERATE-HIGH	HIGH
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Effective yield (%) as at 31 October 2013 (net of fees)	5.74
Fund duration (days)	73

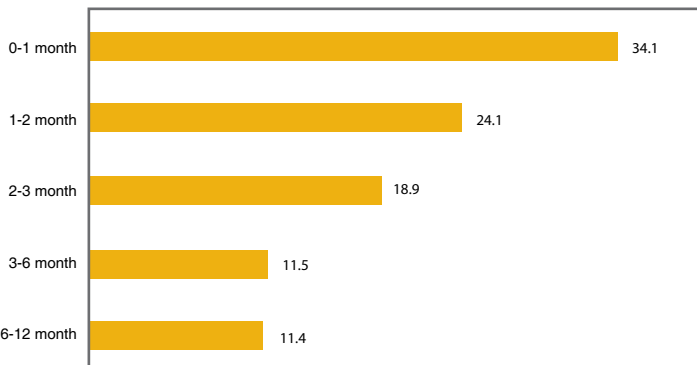
CREDIT EXPOSURE (%)

October 2013	
Government & Parastatals	0.0
Corporates	11.0
Banks	89.0
Total	100.0

COUNTERPARTY EXPOSURE (%)

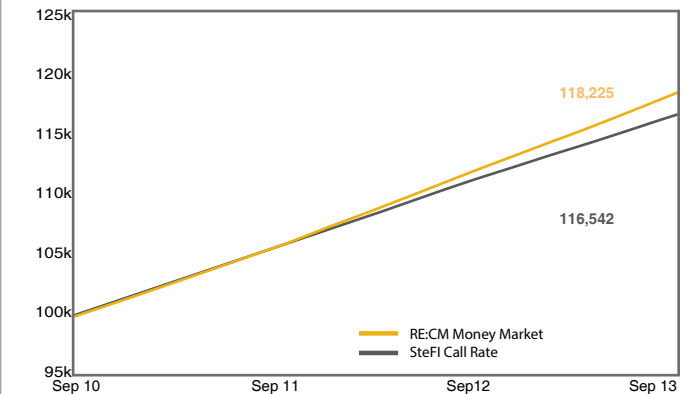
October 2013	
Nedbank	24.0
ABSA	21.0
Standard Bank	20.0
Investec	17.0
Corporates	11.0
Firstrand	7.0
Total	100.0

DURATION BREAKDOWN (%)



PERFORMANCE AND COMMENTARY

RETURNS SINCE INCEPTION (after fees)



MONTHLY RETURNS

Nov '12	Dec '12	Jan '13	Feb '13	Mar '13	Apr '13
0.44%	0.44%	0.45%	0.41%	0.46%	0.45%
May '13	Jun '13	Jul '13	Aug '13	Sep '13	Oct '13
0.46%	0.45%	0.46%	0.47%	0.45%	0.48%

RETURNS TO END OCTOBER 2013

	Fund	Benchmark
1 Year	5.56%	4.68%
2 Years	5.65%	4.93%
3 Years	5.63%	5.07%
Since Inception	5.58%	5.09%

INVESTMENT COMMENT

The RE:CM Money Market Fund generated an income yield of 5.7% against the benchmark yield of 4.8% as at 31 October 2013. Fund duration was reduced from 82 days to 73 days, the lower duration more attributable to some of the floating rate notes in the fund approaching reset dates as opposed to a change in our interest rate view. Fixed income markets were in limbo at the start of the month as the US narrowly averted a technical debt default due to the government shutdown. Money market rates remained relatively constant over the month given the lack of direction in the local bond market. September headline inflation decreased to 6% from 6.4% in August – in line with both market expectations and the SARB's 3 to 6% target range. The main drivers of the lower print were lower fuel and food prices. The SA trade balance also posted a deficit of R18.9bn in September from R19.1bn in August. The country is reliant on foreign capital to plug the trade deficit and both currency and bond markets remain vulnerable to short term volatility. The fund remains competitively positioned in the current interest rate cycle. The forward market is not pricing in any short term changes to rates with the SARB still trying to balance low growth and high inflation. We have maintained a 55% allocation towards floating rate instruments with most of that exposure to the top tier banks.

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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 the supervision of Piet Viljoen.

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