RE:CM MONEY MARKET Fund

Period ended 31 October 2011

RE·CM
YOUR CAPITAL FIRST

Portfolio Manager	Piet Viljoen, Thompson Ganyeka
Sector	Domestic Fixed Interest Money Market
Inception Date	1 October 2010
Fund Size	R1.15 billion
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 PROFILE

- This fund has a low risk profile

CREDIT EXPOSURE (%)

October 2011	
Government and Parastatals	3.0
Corporates	-
Banks	97.0
TOTAL	100.0

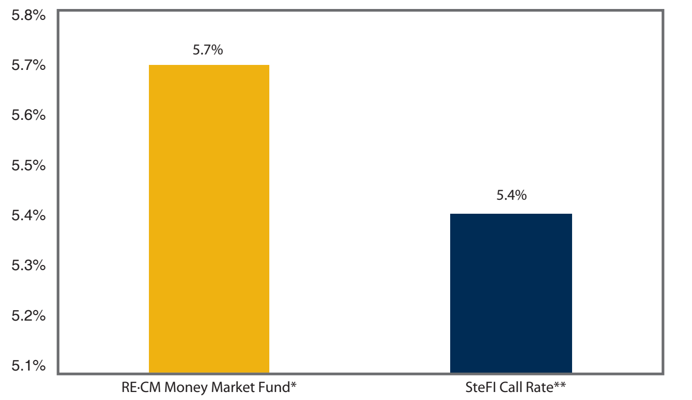
DURATION BREAKDOWN (%)

October 2011	
0 - 1 month	44.2
1 - 2 months	15.8
2 - 3 months	17.3
3 - 6 months	2.7
6 - 12 months	20.0
TOTAL	100.0

PERFORMANCE AND COMMENTARY

PERFORMANCE

This Fund was launched on the 1st October 2010. As such, it does not yet have a full performance history to report. Over time this document will include the monthly performance of the Fund versus its benchmark, as well as the cummulative performance of the Fund versus its benchmark, the SteFI Call Rate.



* Yield is calculated using an annualised 7 day rolling average as at 31 October 2011 (gross of fees)
**Source: I-Net Bridge

INVESTMENT COMMENT

October inflation increased marginally to 5.7% while core inflation remained flat at 3.8%. The main drivers this month were food, household rent and energy. Inflation is expected to breach its upper target band at the end of this year. The latest increase in petrol and diesel, of 20 and 30 cents per litre respectively, suggests that there may still be upward inflation pressure in the short-term. However, the Monetary Policy Committee (MPC) is likely to focus on the knock-on effects of high food and energy inflation. There is great uncertainty regarding the action the MPC will take. The recent money supply and credit numbers showed growth in line with previous readings. However the recent PMI number remained flat at 50 indicating a lag in manufacturing activity.

Europe seems to have temporarily solved its debt crisis but is not "out of the woods" yet due to the rising debt cost of Italian government bonds. Global risk aversion continues to put pressure on our local currency, resulting in rising import costs. Furthermore, the crisis raises some concerns regarding South Africa's economic growth path given the likely knock-on effect of slower growth in Europe and America on the local economy.

The fund continues to maintain a high duration on the back of longer-dated instruments and floating rate instruments. The fund generated a yield of 5.7% versus the benchmark yield of 5.4%. The fund is currently invested in the large local banks and the National Treasury.

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