

# RECM MONEY MARKET FUND (Class A)

Minimum Disclosure Document - Period ended 31 October 2015



# RECM

The RECM Money Market Fund is a money market unit trust that provides a sensible cash portfolio with very competitive fees. The Fund aims to maximise interest income, preserve capital and provide liquidity by investing in a diversified portfolio of money market instruments. Capital losses are unlikely but may 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.

Portfolio Manager	Piet Viljoen
ASISA Sector	South Africa Interest Bearing Money Market
Fund Launch Date	15 February 2010
Inception Date (Class A)	1 October 2010
Total Fund Size	R1.30 billion
Fund Size (Class A)	R1.1 billion
Benchmark (Bmk)	STeFI Call Rate
Rating	Fitch Ratings AA+ (zaf) / V1 (zaf)

Min. Investment	R150,000 initial investment
Initial Fee	No initial fee
Annual Fee	0.15% (excl. VAT)
Intermediary Fee	0.0% (excl. VAT)
Total Expense Ratio	0.19% for the period ending 30 September 2015
Income Distributions	Monthly distributions are paid
Value of Distributions	6.54 cents per participatory unit over the past 12 months

## PORTFOLIO DETAIL

### FUND RISK PROFILE

LOW	LOW-MODERATE	MODERATE	MODERATE-HIGH	HIGH
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The Fund has a low risk profile with an actively managed and diversified portfolio of South African money market instruments which have a low credit risk and whose prices fluctuate less than other asset classes.

Effective yield* as at 30 September 2015 (net of fees)	6.7%
Fund duration (days)	85.0

\*Annualised 12 month yield based on the position of the fund as at date

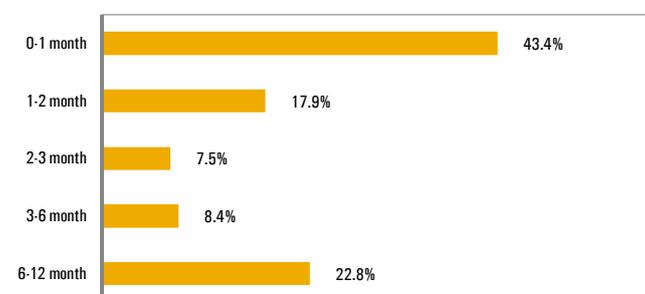
### CREDIT EXPOSURE (%)

October 2015	
Banks	100.0
Corporates	0.0
Government & Parastatals	0.0
<b>Total</b>	<b>100.0</b>

### TOP COUNTERPARTIES (%)

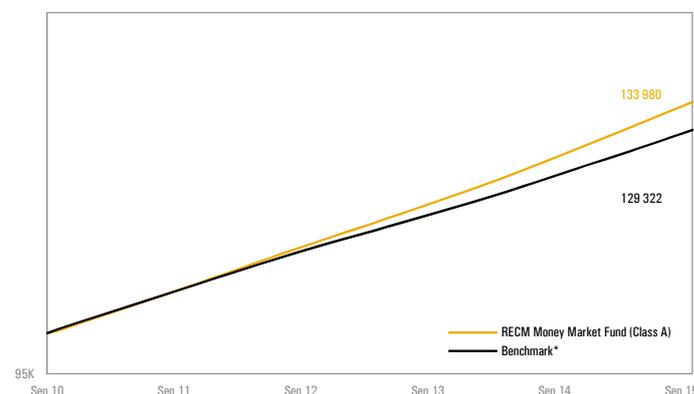
October 2015	
ABSA	26.0
Nedbank	25.0
Investec	21.0
Standard Bank	20.0
Firststrand	8.0
<b>Total</b>	<b>100.0</b>

### DURATION BREAKDOWN (%)



## PERFORMANCE NET OF ALL FEES AND EXPENSES

### ILLUSTRATIVE VALUE OF R100,000 INVESTED AT INCEPTION WITH DISTRIBUTIONS REINVESTED



### MONTHLY RETURNS

Nov '14	Dec '14	Jan '15	Feb '15	Mar '15	Apr '15
0.53%	0.55%	0.55%	0.50%	0.55%	0.54%
May '15	Jun '15	Jul '15	Aug '15	Sep '15	Oct '15
0.56%	0.54%	0.56%	0.56%	0.54%	0.56%

### RETURNS TO END OCTOBER 2015

	Annualised		12 Month Return <sup>1</sup>		Cumulative	
	Fund	Bmk	Highest	Lowest	Fund	Bmk
1 Year	6.7%	5.5%	6.7%	6.2%	6.7%	5.5%
3 Years	6.2%	5.1%	6.7%	5.5%	19.6%	16.2%
5 Years	6.0%	5.2%	6.7%	5.4%	33.6%	28.7%
Since inception	5.9%	5.2%	6.7%	5.4%	34.0%	29.3%

- Returns in ZAR, on a lump sum investment, net of fees with net distributions reinvested. Source: RECM, Bloomberg.
- Annualised returns are the weighted average compound growth rate earned each year over the given time period. Individual Investor's performances may differ due to fees, actual investment date, dates of reinvestments and dividend withholding taxes.

<sup>1</sup> Highest/Lowest – reflects the Fund's highest and lowest 12 month performance reported during the given period.

## WWW.RECM.CO.ZA

Investors can access, free of charge, daily fund prices, quarterly reports, brochures, minimum disclosure documents, annual fund reports, application forms and investment insights on our website at [www.recm.co.za](http://www.recm.co.za).

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Email: [info@recm.co.za](mailto:info@recm.co.za)

Website: [www.recm.co.za](http://www.recm.co.za)

Disclosures: Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The Fund is not a bank deposit account. The value of participatory interests (units) may go down as well as up and past performance is not necessarily a guide to future performance. The Manager does not guarantee the portfolio's capital or its return. CIS 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 Manager. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (Brokerage, STT, VAT, Auditor's fees, Bank Charges, Trustee and Custodian fees and the annual Management fee) from the portfolio divided by the number of participatory interests (units) in issue. Commission and incentives may be paid and if so, would be included in the overall costs. The price of each unit in the RECM Money Market Fund is aimed at a constant value. Forward pricing is used. Different classes of units apply to these portfolios and are subject to different fees and charges. Fluctuations or movements in exchange rates may cause the value of underlying international instruments to go up or down. These portfolios may be closed. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures; and in such circumstances a process of ring fencing of withdrawal instructions and managed pay-outs over time may be followed.

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# RECM

## Risks associated with investing in the Fund

All investments carry risk. Different investment strategies may carry different levels and kinds of risks depending on the assets held. You should consider the risks listed below in the context of your risk profile, which includes factors such as your investment timeframe, objectives and tolerance for performance volatility, income and age. We do not offer advice, nor does the Fund's investment strategy consider your individual circumstances and we cannot advise that the Fund is suitable for your circumstance.

The Manager does not guarantee the Fund's returns, its liquidity, and repayment of capital, interest nor a rate of return. Assets that are expected to provide the highest long-term returns often have the highest short-term risk. The Funds' investment strategy and the assets it invests in, will determine the Fund's sensitivity to these risk factors.

You should obtain financial advice to determine whether the Fund is suitable for your circumstances before investing in the Fund.

## Total Return

Investors' total returns are made up of interest received and any gain or loss made on any particular instrument; and that in most cases the return will merely have the effect of increasing or decreasing the daily yield, but in cases of abnormal losses it can have the effect of reducing the capital value of the portfolio.

## Yield Calculation

The Fund's yield quoted on an annual effective rate (NACA) basis. The NACA is the effective interest rate an investor can expect to earn over a 12 month period based on the nominal yield of the fund at a point in time. The nominal yield is simply the net interest accrual of all the instruments in the fund divided by the number of units in the fund (the fund NAV). The quoted NACA is always higher than the nominal yield because the calculation is based on an investor re-investing the monthly income distribution back into the fund at the nominal yield. (i.e. The NACA is the compounded annual 12-month rate).

## Interest Rate Risk

This is the possibility that fixed-rate debt instruments may decline in value as a result of a rise in interest rates.

## Credit Risk

Refers to the possibility that a fixed income instrument or money market issuer may not be able to make expected interest payments and/or principal repayment.

## Liquidity Risk

Refers to the possibility that an investor may not be able to invest or disinvest when they want to. This may occur during a period of adverse market trading conditions where the manager may not be able to buy or sell the Fund's investments because opportunities to do so are limited.

## Social/Political/Legislative Risk

Risks associated with the possibility of nationalisation, unfavourable government action or social changes resulting in a loss of value is called social or political risk which may affect the Fund.

## Inflation Risk

The Fund may invest in cash and other fixed income instruments that do not generate sufficient income and capital gains to outperform inflation.

## Key Person Risk

The Fund depends on the expertise of RECM and its investment team. The Fund could be negatively impacted if RECM does not retain key staff.

## Third Party Operational Risk

The Fund's operations depend on third parties. Investors in the Fund may suffer financial loss or disruption in the event of third party operational failure.

## Fees

An annual management fee of 0.15%, excluding VAT is levied monthly on the market value of the RECM Money Market Fund (Class A).

## Total Expense Ratio (TER)

The TER reflects the percentage of the average Fund's Net Asset Value that was incurred as charges, levies and fees related to the management of the portfolio. A Higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TER's.

## Manager

RECM Collective Investments (Pty) Ltd  
P O Box 45040, Claremont, 7735  
Company Reg 2004/027540/07  
Registered under the Collective Investment  
Schemes Control Act, 2002

## Investment Manager

Regarding Capital Management (Pty) Ltd (FSP No 18834)  
Authorised under the Financial Advisory and  
Intermediary Services Act, 2002 to act in such capacity

## Trustee

The Standard Bank of South Africa Limited  
P O Box 54  
Cape Town, 8000

## Bloomberg Ticker

RCCMMKT SJ

## ISIN

ZAE000149886

## Transaction Cut Off Time

11h00 Daily

## Fund Valuation Time

Prior to 18h00 Daily

## Document Issue Date

4 November 2015