



# SIM MONEY MARKET FUND

## Fund Objective

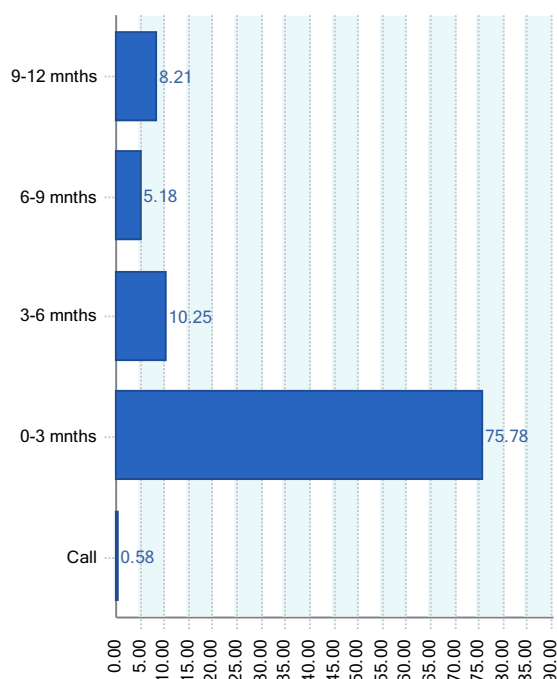
This fund aims to deliver a higher level of income than fixed deposits and call deposits over time. Capital preservation is of primary importance and the fund offers immediate liquidity. The fund has no offshore exposure.

## Fund Information

<b>Classification</b>	Domestic – Fixed Interest –Money Market
<b>Portfolio manager(s)</b>	Gert Steenkamp
<b>Risk profile</b>	Low
<b>Benchmark</b>	STeFI Composite Index
<b>Launch date</b>	01/05/97
<b>Minimum investment</b>	Lump sum: R50 000 / Monthly: R 1000
<b>Fund size</b>	R5 929.7 million
<b>Last two distributions</b>	-
<b>Total Expense Ratio*</b>	0.58%

*This Fund Fact Sheet should be viewed in conjunction with the Fund Information Sheet and the Portfolio Manager Commentary Sheet.*

## Duration Distribution



## Top 10 Holdings

Securities	% of Portfolio
ABSA NCD 5.525% 200911	3.52
Standard Bank F/R 210711	3.31
FirstRand F/R 030811	3.30
Investec F/R 04102011	3.23
Standard Bank NCD 5.55% 160811	3.18
ABSA NCD 6.35% 08062012	3.04
FirstRand F/R 020811	2.77
Standard Bank NCD 5.50% 040811	2.67
FirstRand NCD 5.55% 260711	2.54
Nedbank F/R 030811	2.54

### Top 10 Holdings as at 30/06/2011

## Performance (Annualised)

Retail-Class	Fund	Benchmark
1 year	5.94%	6.19%
3 year	8.12%	8.33%
5 year	8.62%	8.77%

Benchmark figures provided by Inet

## Performance (Cumulative)

Retail-Class	Fund	Benchmark
3 year	26.36%	27.14%
5 year	51.21%	52.22%

Benchmark figures provided by Inet

\*Total Expense Ratio (TER) - This fund (Retail Class ) has a TER of 0.58%. For the period from 01 April 2010 to 31 March 2011 0.58% of the average net asset value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include transaction costs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's.

## Manager Information

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The price of each unit 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. Past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the company/scheme. Commission and incentives may be paid and if so, would be included in the overall costs. Portfolio performance is calculated on a NAV to NAV basis and does not take any initial fees into account. Annualised Growth Rate. Income is reinvested on the ex-dividend date. Total return performances are published. The source is Morningstar. (Risk statistics: Money Mate). Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. A full member of the Association for Savings & Investment SA.

## Fund Objective

This fund aims to deliver a higher level of income than fixed deposits and call deposits over time. Capital preservation is of primary importance and the fund offers immediate liquidity. The fund has no offshore exposure.

## Fund Strategy

The fund invests in a range of money market instruments which include negotiable certificates of deposit, bankers' acceptances, debentures, treasury bills and call accounts. The fund may only invest in money market instruments with a maturity of less than one year.

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<b>Last two distributions</b>	-
<b>Income decl. dates</b>	Last day of each month
<b>Income price dates</b>	1st working day of the following month
<b>Valuation time of fund</b>	15:00
<b>Trading closing time</b>	13:00
<b>Trustee</b>	Standard Bank of SA

## Fees (Incl. VAT)

	Retail Class
<b>Initial fee **</b>	0.34%
<b>Annual management fee</b>	0.57%
<b>Total Expense Ratio (TER)*</b>	0.58%

\*\* includes intermediary fee of 0.30%

\*Total Expense Ratio (TER) - This fund (Retail Class) has a TER of 0.58%. For the period from 01 April 2010 to 31 March 2011 0.58% of the average net asset value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include transaction costs. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TER's.

## Why choose this fund?

- This fund is ideal for use as an emergency fund.
- The fund suits risk averse investors or investors who are waiting for market volatility or global uncertainty to subside.
- The fund should produce higher returns than call deposits while interest rates are declining.
- In rising interest rate environments, these funds will benefit soonest from higher call deposit rates.
- The fund pays out income on a monthly basis.

## Portfolio Manager



**Gert Steenkamp**

**BCom**

Gert joined the South African Reserve Bank as Trainee Dealer: Foreign exchange.

He was ultimately promoted to Senior Dealer: Capital Markets in 1992.

He joined Securities Investment Bank in 1993 as Dealer: Capital Markets.

Gert joined SIM in October 1999.

The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

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## Quarter 2 2011



Gert Steenkamp  
BCom

## Market review

During the quarter, the Monetary Policy Committee (MPC) kept the repo rate unchanged at 5.50%. This was in line with market expectations. Inflation remained within the Reserve Bank's target range during the quarter. Risks to inflation remained evenly balanced, with inflation expected to remain within the target range for an extended period.

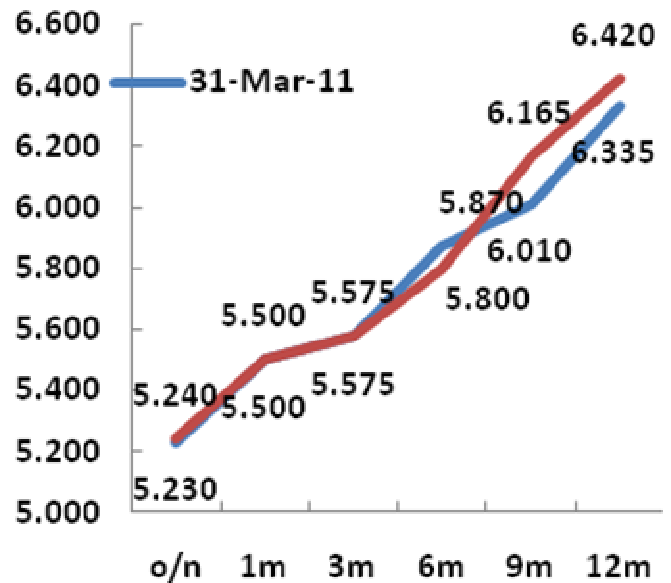
The money market curve steepened during the quarter, with the three-month money market rate unchanged at 5.575%, while the twelve-month rate increased marginally from 6.335% to 6.42%. Treasury bills in the 91 days area of the curve traded above the bank rates, and credit spreads on short-term corporate credit decreased during the quarter.

## What SIM did

We invested in assets across all maturities along the money market yield curve during the quarter. We added Treasury bills to the portfolios, as well as quality corporate credit, which traded above the three-month money market rates. We included floating rate notes in the portfolio to enhance portfolio returns.

## SIM strategy

Our preferred investments would be floating rate notes and quality corporate credit to enhance returns within the portfolios. We will continue to include 91-day treasury bills in the portfolio for as long as they offer good value above the three-month money market rate. We expect the repo rate to remain unchanged at the next MPC meeting.



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