

# MONEY MARKET FUND

## DISTRIBUTIONS

### ACTUAL PAYOUT (cents per unit)

| Apr 2007 | May 2007 | Jun 2007 | Jul 2007 | Aug 2007 | Sep 2007 |
|----------|----------|----------|----------|----------|----------|
| 0.72     | 0.74     | 0.72     | 0.76     | 0.79     | 0.79     |

| Oct 2007 | Nov 2007 | Dec 2007 | Jan 2008 | Feb 2008 | Mar 2008 |
|----------|----------|----------|----------|----------|----------|
| 0.83     | 0.83     | 0.89     | 0.90     | 0.85     | 0.92     |

## TOTAL EXPENSE RATIO\*

| Total expense ratio | Included in TER |                       |                  |                |
|---------------------|-----------------|-----------------------|------------------|----------------|
|                     | Trading costs   | Performance component | Fee at benchmark | Other expenses |
| 0.30%               | 0.00%           | 0.00%                 | 0.29%            | 0.01%          |

\*A Total Expense Ratio (TER) is a measure of a portfolio's assets that are relinquished as operating expenses. It is expressed as a percentage of the average value of the portfolio, calculated for the year to the end of December 2007. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, UST, STRATE and insider trading levy) and other expenses. These are disclosed separately as percentages of the net asset value. A higher TER ratio 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. The information provided is applicable to class A units.

## PERFORMANCE

Fund performance shown net of all fees and expenses as per the TER disclosure.

| % Returns                      | Fund | Benchmark* |
|--------------------------------|------|------------|
| Since inception (unannualised) | 81.6 | 81.8       |
| Latest 5 years (annualised)    | 8.6  | 8.5        |
| Latest 3 years (annualised)    | 8.4  | 8.2        |
| Latest 1 year                  | 10.2 | 10.0       |

\* Since inception to 31 March 2003, the benchmark was the Alexander Forbes 3-Month Deposit Index. The current benchmark is the Domestic Fixed Interest Money Market Collective Investment Scheme sector excluding the Allan Gray Money Market Fund. Source: Micropal, performance as calculated by Allan Gray as at 31 March 2008.

## FUND DETAILS AT 31 MARCH 2008

**Sector:** Domestic - Fixed Interest - Money Market  
**Inception date:** 1 July 2001  
**Fund managers:** Andrew Lapping  
**Fund objective:**

The Fund aims to provide a return that exceeds the simple average of the Domestic Fixed Interest Money Market Collective Investment Scheme sector excluding the Allan Gray Money Market Fund. It also aims to provide a high degree of capital stability with minimal risk of loss.

### Suitable for those investors who:

- Want to find a short-term safe haven for funds during times of market volatility.
- Are highly risk-averse.
- Require monthly income distributions.
- Have retired and have invested in a living annuity product. Underlying growth in the fund and distributions are not taxed.

### Compliance with Prudential Investment Guidelines:

Retirement Funds: The Portfolio is managed to comply with the limits of Annexure A to Regulation 28 of the Pension Funds Act. Exposures in excess of the limits will be corrected immediately except where due to market value fluctuations or capital withdrawals in which case they will be corrected within a reasonable time period. Allan Gray Unit Trust Management Limited does not monitor compliance by retirement funds with section 19(4) of the Pension Funds Act (item 9 of Annexure A to Regulation 28).

**Price:** R 1.00  
**Size:** R 4 977 m  
**Minimum lump sum:** R 50 000  
**Minimum monthly:** R 5 000  
**Subsequent lump sums:** R 5 000  
**Monthly yield at month end:** 0.92%  
**Annual management fee:**

Fixed fee of 0.25% (excl. VAT) per annum.

## COMMENTARY

In the lead up to the Monetary Policy Committee (MPC) meeting of 10 April the data on inflation and inflationary forces in the economy continued to deteriorate. However most of the inflationary pressures in the economy are driven by supply side issues rather than excess consumer demand. In fact the consumer seems to be under some pressure. The MPC's decision to increase interest rates by 0.5% was not the consensus view but the risk of a rate increase was priced into term interest rates to some extent. The Fund duration of 70 days before the meeting took these conflicting factors into account. We believe the risks to interest rates remain skewed to the upside and have positioned The Fund accordingly.

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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 the future. Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue. Declaration of income accruals are made daily and paid out monthly. Fund valuations take place at approximately 16h00 each business day. Purchase and repurchase requests may be received by the manager by 14h00 each business day. Performance figures are from Allan Gray Limited (GIPS compliant) are for lump sum investments using net asset value prices with income distributions reinvested. Permissible deductions may include management fees, brokerage, UST, auditor's fees, bank charges, trustee fees and RSC levies. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees and charges and maximum commissions is available on request from Allan Gray Unit Trust Management Limited. Commission and incentives may be paid and if so, would be included in the overall costs. A constant price will be maintained. Member of the ACI. Total Expense Ratio (TER): When investing, costs are only a part of an investment decision. The investment objective of the Fund should be compared with the investor's objective and then the performance of the investment and whether it represents value for money should be evaluated as part of the financial planning process. All Allan Gray performance figures and values are quoted after the deduction of costs incurred within the Fund so the TER is not a new cost.