ALLAN GRAY

MONEY MARKET FUND

FUND DETAILS AT 31 JANUARY 2009

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

Fund objective:

The Fund aims to preserve capital, maintain liquidity and generate a high level of income. The benchmark of the Fund is the Domestic Fixed Interest Money Market sector excluding the Allan Gray Money Market Fund.

While capital losses are unlikely, they can occur if, for example, one of the issuers of the assets underlying the fund defaults. In this event, losses will be borne by the Fund and its investors.

Suitable for those investors who:

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

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 9 647 m
Minimum lump sum:	R 50 000
Minimum monthly:	R 5 000
Subsequent lump sums:	R 5 000
Monthly yield at month end:	0.97%
Annual management fee:	Fixed fee of 0.25% (excl. VAT) per annum

COMMENTARY

The Monetary Policy Committee cut rates by 100 basis points as expected on 5 February. The rapidly deteriorating economic data, together with the falling consumer price inflation, justified the rate decision. What took the market by surprise were the governor's dovish comments and the statement that the committee had considered a 200 basis point cut. Since the meeting the money market yield curve has rallied by about 100 points, anticipating more aggressive rate cuts.

In the Allan Gray Money Market Fund we favour the six-month area of the yield curve, as this is where we believe the risk-return trade off is best. One-year negotiable certificates of deposit (NCDs) seem to have priced in too favourable an interest rate outcome.

The duration of the Fund is 75 days.

DISTRIBUTIONS

ACTUAL PAYOUT (cents per unit)

Feb 2008	Mar 2008	Apr 2008	May 2008	Jun 2008	Jul 2008
0.85	0.92	0.91	0.96	0.95	1.01

Aug 2008	Sep 2008	Oct 2008	Nov 2008	Dec 2008	Jan 2009
1.03	0.99	1.01	0.97	0.99	0.97

TOTAL EXPENSE RATIO FOR THE YEAR ENDED 31 DECEMBER 2008[1]

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%

[1]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 2008. Included in the TER is the proportion of costs that are incurred by the performance component, fee at benchmark, trading costs (including brokerage, VAT, STT, 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 cannot be regarded as an indication of future TERs. The information provided is applicable to class A units.

EXPOSURE BY ISSUER

Government and Parastatals	
RSA	16.5
Transnet	4.6
TCTA	2.0
Total	23.1
Corporates	
Anglo American	4.7
SAB	4.2
Toyota	2.4
Mercedes	2.1
Unilever	3.8
Total	17.2
Bank Deposits[2]	
ABSA	13.5
Nedbank	12.0
Standard	13.5
FirstRand	10.6
Citibank	3.8
Investec	4.3
Accruals	2.1
Total	59.8
Total	**100**

[2] Bank Deposits include negotiable certificates of deposit (NCD's), fixed deposties and call deposites

PERFORMANCE

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

% Returns	**Fund**	**Benchmark**[3]
Since inception (unannualised)	100.2	100.0
Latest 5 years (annualised)	8.8	8.7
Latest 3 years (annualised)	9.8	9.7
Latest 1 year	12.2	11.9

[3] 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 December 2008.**

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