# MONEY MARKET FUND

## FUND DETAILS AT 31 AUGUST 2009

| | |
|---|---|
| **Sector:** | Domestic - Fixed Interest - Money Market |
| **Inception date:** | 1 July 2001 |
| **Fund manager:** | 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.

| | |
|---|---|
| **Price:** | R 1.00 |
| **Size:** | R 9 850 m |
| **Minimum lump sum per investor account:** | R 20 000 |
| **Minimum lump sum per fund:** | R 5 000 |
| **Minimum debit order per fund:** | R 500 |
| **Additional lump sum per fund:** | R 500 |
| **Monthly yield at month end:** | 0.66% |
| **Annual management fee:** | Fixed fee of 0.25% (excl. VAT) per annum |

## COMMENTARY

Little has changed in the South African Money Market over the past month, with interest rates finding a stable level after the rate cut of 13 August. We do not expect the Monetary Policy Committee to either cut or hike rates in the near term. We therefore see value in the six to nine month area of the money market yield curve and in floating rate notes. However, if interest rates do change in the short term, it is likely to be in the form of a rate cut, and the Fund is well positioned for this as a consequence of the upward slope of the yield curve.

The duration of the Fund is unchanged at 85 days.

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## DISTRIBUTIONS

### ACTUAL PAYOUT (cents per unit)

| Sep 2008 | Oct 2008 | Nov 2008 | Dec 2008 | Jan 2009 | Feb 2009 |
|---|---|---|---|---|---|
| 0.99 | 1.01 | 0.97 | 0.99 | 0.97 | 0.85 |

| Mar 2009 | Apr 2009 | May 2009 | June 2009 | July 2009 | August 2009 |
|---|---|---|---|---|---|
| 0.90 | 0.81 | 0.80 | 0.70 | 0.69 | 0.66 |

## TOTAL EXPENSE RATIO FOR THE YEAR ENDED 30 JUNE 2009[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. The total operating expenses are expressed as a percentage of the average value of the portfolio, calculated for the year to the end of June 2009. 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 AT 31 AUGUST 2009

| | |
|---|---|
| **Government and Parastatals** | |
| RSA | 12.8 |
| Transnet | 4.4 |
| TCTA | 2.0 |
| Denel | 1.6 |
| ACSA | 1.4 |
| Eskom | 0.4 |
| Total | 22.6 |
| **Corporates** | |
| Mercedes | 4.1 |
| SABSA | 3.7 |
| Sanlam | 3.0 |
| Toyota | 2.4 |
| Unilever | 1.3 |
| Anglo American | 1.2 |
| Netcare | 0.2 |
| Total | 15.9 |
| **Banks** [2] | |
| ABSA | 16.0 |
| FirstRand | 15.7 |
| Standard | 15.5 |
| Nedbank | 10.9 |
| Investec | 3.4 |
| Total | 61.5 |
| **Total** | **100** |

[2] Banks include negotiable certificates of deposit (NCD's), fixed deposits and call deposits.

## PERFORMANCE

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

| % Returns | Fund | Benchmark [3] |
|---|---|---|
| Since inception (unannualised) | 111.2 | 111.0 |
| Latest 5 years (annualised) | 9.0 | 8.9 |
| Latest 3 years (annualised) | 10.4 | 10.2 |
| Latest 1 year | 10.8 | 10.8 |

[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: Morningstar, performance as calculated by Allan Gray as at 31 August 2009.**