Sasfin A Money Market Product

Asset Consulting | sasfin Wealth

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The Money Market Portfolio is a low risk money market fund that aims to deliver returns in excess of the STeFI consistently over time. The portfolio aims to exploit multiple sources of low risk excess returns within the money market and short term credit instrument arena. This portfolio is managed on a multi-manager basis. Each manager appointed to manage a portion of the portfolio has been selected on the basis of rigorous quantitative and qualitative analysis. The underlying managers are monitored and reviewed by Sasfin Asset Consulting on behalf of their clients.

The portfolio complies with Regulation 28 of the Pension Funds Act, 1956 as amended.

The portfolio is offered on a pooled and unitised basis on the Sygnia Life license.

PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
7.8%	8.2%	8.2%	8.3%

PERFORMANCE COMMENTARY

World events continue to be dominated by Covid-19, with global lockdowns expected to deliver the largest growth shock since WWII. The IMF revised its global GDP growth downward to -3.0% in 2020, however, forecasts are dependent on the duration and stringency of the lockdowns, where SA ranks top in terms of stringent lockdown measures.

Markets recovered in April, with double digit-positive returns in equities as investors began to differentiate between lockdown winners and lockdown losers, and May should mark a growth turnaround given that Covid-19 infection curves have flattened enough that governments have announced partial reopenings. Despite positive signs as Gilead's investigational antiviral remdesivir received FDA emergency use authorisation, a staggered reopening of economies until vaccines can be made widely available suggests a U- rather than a V-shaped recovery.

President Ramaphosa announced a R500bn relief package, roughly 10% of GDP, to alleviate the economic impact of Covid-19. The relief measures are unlikely to temper the 6.0% GDP contraction SA expects this year, and fiscal deficit is expected to increase to a record 11% of GDP in FY20/21. We eagerly await government's third phase, an economic strategy that includes "speedy implementation of economic reforms". Given the lack of delivery on this front over the last two years, markets are sceptical. Bonds and the rand were relatively stable despite South Africa exiting the World Government Bond Index (WGBI) on the last day of the month. South Africa has cut its interest rate by 2.5% over the last year unlocking around R80bn in the real economy.

The pandemic has accelerated the Japanification process, with US interest rates now heading towards zero and Japanification becoming a very viable roadmap out of the situation. Sygnia remains well diversified and positioned to harness the volatility associated with low growth. We expect the lockdown volatility to be with us for at least 18 months, with waves of support alternating between lockdown winners and lockdown losers. Balancing at all times which risks exist and the extent to which markets are pricing in those risks remains a key part of our investment process.
The FTSE/JSE SWIX Index increased 14.1%, with Industrials and Financials gaining 9.9% and 13.0% respectively. The JSE All Bond Index was up 3.9%, while the rand depreciated by 2.9% relative to the US dollar.

ABOUT SYGNIA

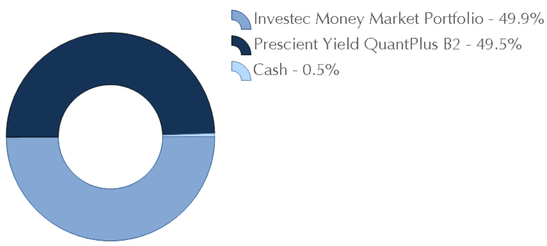
Sygnia is a financial services group specialising in the design and management of customised multi-manager product solutions for institutional clients in South Africa and globally. Sygnia Life is a registered life assurance company within the group.

ABOUT SASFIN

Sasfin is a premier South African banking group, providing business banking, wealth management, capital, specialised services and treasury services. Sasfin Asset Consulting, a division of Sasfin, provides a comprehensive, independent and highly professional financial advisory service to institutional clients.

PERFORMANCE

PERIOD	FUND	STEFI
1 month	0.6%	0.5%
3 month	1.8%	1.6%
6 month	3.6%	3.4%
Year to date	2.4%	2.2%
1 year	7.8%	7.1%
2 year	8.0%	7.2%
3 year	8.2%	7.3%
5 year	8.2%	7.2%
10 year	7.5%	6.5%
Since Inception (back dated)	8.3%	7.3%



FEES

Investment Managers: Up to 0.15%
Platform: Up to 0.28%

The above fees exclude VAT, performance fees and fund expenses. The investment management fees consist of fees charged by the underlying investment managers and Sasfin Asset Managers. The indicative investment management fees are based on the respective strategic weightings of the underlying investment managers. The investment management fees will vary from time to time based on the actual manager weightings.

HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	STeFI
2016	0.6%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.8%	**8.5%**	**7.4%**
2017	0.7%	0.7%	0.7%	0.6%	0.8%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	0.7%	**8.7%**	**7.5%**
2018	0.7%	0.7%	0.6%	0.7%	0.7%	0.6%	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	**8.5%**	**7.3%**
2019	0.7%	0.6%	0.7%	0.5%	0.7%	0.7%	0.7%	0.7%	0.6%	0.6%	0.5%	0.6%	**7.9%**	**7.3%**
2020	0.7%	0.5%	0.7%	0.6%									**2.4%**	**2.2%**

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