

Sasfin A Money Market Product

May 2020

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 utilised basis on the Sygnia Life license.

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.

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%	0.5%								3.0%	2.7%

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PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
7.6%	8.1%	8.2%	8.3%

PERFORMANCE COMMENTARY

Global economies began their slow emergence from lockdown in May, evidenced by Google's Global Mobility Index and the Oxford Stringency Index. Markets rallied on further fiscal support and the provision of additional liquidity. While a second wave of infections is a major concern, after four weeks into the relaxation process there has been little evidence of a resurgence, and analysis by UBS and JPMorgan actually shows a decrease in the daily infection rate in most countries post-lockdown. Optimism about vaccines is also increasing, as over 160 vaccines are now being researched, with five having started human trials and positive reports about American biotechnology company Moderna's vaccine and Gilead's remdesivir.

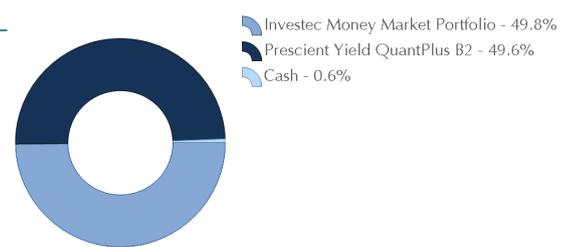
However, markets took a turn for the worse as US-Sino relations stressed, with the US Senate passing a bill barring certain Chinese companies from listing on American exchanges. Sentiment deteriorated further as China's legislature approved national security laws for Hong Kong, which erodes Hong Kong's freedom, democracy and human rights.

South Africa announced a move to alert level 3 on 1 June, allowing an additional 8 million people to return to work. The SARB cut the repo rate by 50 bps to 3.75%, a record low that makes a total of 3% cuts over the last year. The SA consumer has had much-needed relief with low oil prices accumulating a reduction in fuel prices of R4/litre this year, but it may prove to be too little too late. South Africa's small businesses are in deep trouble, with a new survey showing that as many as 75% face closure as a result of the Covid-19 lockdown. South Africa's 2020 GDP growth is likely to contract by almost 10% in 2020, and we eagerly await government's third phase of "speedy economic reforms" and a decision on SAA which has been in business rescue for more than 5 months.

The Covid-19 pandemic has escalated the need for Quantitative Easing and Government borrowing. Not only is QE at all-time highs, but the pandemic induced recession has also lifted sovereign debt to GDP levels to a 70-year high. This is going to further slow growth over the next decade as austerity in the future is enforced to pay back debt. The FTSE/JSE SWIX Index fell 1.0%, with Industrials and Financials dropping 1.6% and 4.7% respectively. The JSE All Bond Index was up 7.1%, while the rand appreciated by 4.0% relative to the US dollar.

PERFORMANCE

PERIOD	FUND	STeFI
1 month	0.5%	0.5%
3 month	1.8%	1.6%
6 month	3.6%	3.3%
Year to date	3.0%	2.7%
1 year	7.6%	7.0%
2 year	7.9%	7.1%
3 year	8.1%	7.2%
5 year	8.2%	7.2%
10 year	7.5%	6.5%
Since Inception (back dated)	8.3%	7.3%



Returns are gross of fees. Past investment returns are not indicative of future returns and the returns are not guaranteed.

FAIS Notice and Disclaimer:

The above portfolio is available under a policy of insurance issued by Sygnia Life Limited FSP No 2935. The asset mix and underlying asset managers are determined in consultation with Sasfin Asset Managers (Pty) Ltd FSP No 21664. This information is not advice as defined and contemplated in the Financial Advisory and Intermediary Services Act 37 of 2002. Whilst reasonable care was taken in ensuring that the information is accurate, Sygnia Life Limited and/or Sasfin Asset Managers do not warrant its accuracy, correctness or completeness and accept no liability in respect of any damages and/or loss suffered as a result of reliance on this information.