

Sasfin A Money Market Product

November 2021

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 0.19%
Platform: Up to 0.15%

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
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%	0.4%	0.4%	0.4%	0.4%	-0.4%	0.2%	0.4%	4.9%	5.4%
2021														
	0.3%	0.3%	0.3%	0.4%	0.3%	-0.5%	0.4%	0.3%	0.4%	0.3%	0.5%		3.1%	3.4%

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PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
3.5%	5.5%	6.7%	7.8%

PERFORMANCE COMMENTARY

Markets tumbled in November on the news of the Omicron variant. This was on the back of a fourth Covid wave already racing through Europe. However, growth in Asia is set to recover as mobility has increased significantly. While quantitative easing is expected to end in 2022, the central bank balance sheets will not shrink, and global policy rates will see only a mild increase. Rising uncertainty around Covid will allow monetary policy to stay more accommodative for longer.

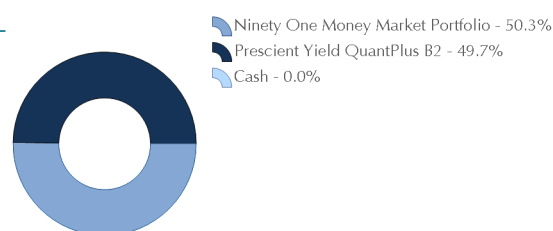
Natural gas prices in Europe surged more than 17% on news that German energy regulators suspended certification proceedings for the Nord Stream 2 natural gas pipeline. The pipeline would allow Russia to double its exports to Germany. Meanwhile, relations between the US and China have improved with President Joe Biden reiterating that the US doesn't seek to change China's political system and doesn't support Taiwan independence. A lowering of tariffs would provide an upside risk to Chinese and US growth. US October headline inflation increased by the most since 1990 at 6.2%. However, inflation expectations remain well anchored and within the range consistent with the Fed achieving its 2% personal consumption expenditure (PCE) target.

South African finance minister Enoch Godongwana emphasised government's "unflinching commitment to fiscal sustainability" in his first medium term budget policy statement. Treasury estimates debt will peak at 78.1% in 2025/6, down from 88.9% forecasts in February this year. Although the budget overall was well balanced, the annual reports of State-Owned Enterprises show that several of the 26 larger and more familiar entities are close to total failure. These include Eskom, the SABC, PetroSA, Denel and the Land Bank.

As a result, South African bond yields remain very attractive, pricing in the risk that exists with the highest prospective real yield in the investable universe (Colchester Oct 2021). A conservative Monetary Policy Committee raised interest rates 25 basis points (bps) in November. The South African Reserve Bank's quarterly projection model implies a 25bps rate hike at every MPC meeting next year, with the repo rate rising to 6% by the end of 2023, below its previous assumption. The FTSE/JSE SWIX Index climbed 0.7%, Industrials were up 6.4% and Financials fell 2.6%. The JSE All Bond Index increased 0.7%, while the rand depreciated by 5.4% relative to the US dollar.

PERFORMANCE

PERIOD	FUND	STeFI
1 month	0.5%	0.3%
3 month	1.2%	0.9%
6 month	1.5%	1.9%
Year to date	3.1%	3.4%
1 year	3.5%	3.7%
2 year	4.3%	4.7%
3 year	5.5%	5.6%
5 year	6.7%	6.3%
10 year	6.9%	6.2%
Since Inception (back dated)	7.8%	7.0%



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.