

Sasfin A Money Market Product

January 2022

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
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%	0.5%	3.6%	3.8%
2022	0.4%												0.4%	0.3%

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PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
3.8%	5.3%	6.6%	7.8%

PERFORMANCE COMMENTARY

Dramatic policy shifts, geopolitical uncertainty and corruption in SA were accompanied by a clear shift in relative global asset performance in January. Global bonds posted one of their worst starts to a year in history. Equity suffered increased volatility as relative rotations from growth to value further shook things up. Fluctuations in expected forward interest rate differentials drove currency markets, and industrial commodities rallied on bets that Omicron may spell the start of the end of Covid.

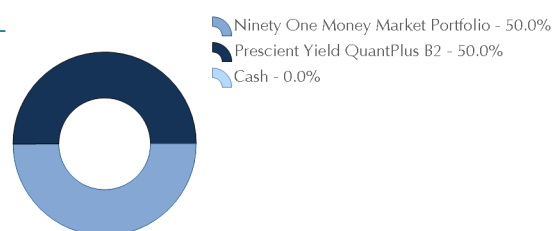
We remain cautiously optimistic for equity returns, though aware that these are likely to be lower than the past few years due to higher valuations and normalising monetary and fiscal policies. An overaggressive Fed, a deadlier Covid than Omicron and rising geopolitical tensions are, in the current environment (apart from shocks we cannot foresee), most likely to alter our base case for the year ahead. A new, deadlier Covid strain remains a high impact but low probability risk. The Omicron variant is more contagious but significantly less lethal than previous ones, and any future variant is likely to emanate from and be milder than Omicron.

Another risk is that the Fed is forced to tighten too quickly. Fed officials and private sector economists alike are calling for aggressive counteraction to rapidly rising inflation. Fortunately, the global manufacturing PMI report suggests that, while supply chain constraints remain, there is evidence that they have peaked. The PBOC saw a release of strong economic data in January, China's GDP for the fourth quarter exceeded expectations and December exports rose to new highs, indicating recovering growth. The PBOC also prioritised growth by lowering the seven-day and one-year base rate by 10 bps.

The final known risk is geopolitics. High-level negotiations between Russia and the West resulted in a "dead end" in January. Russia supplies more than half of Europe's energy needs, and a report from the International Energy Agency (IEA) accused Russia of under-supplying gas, which in turn contributed to dramatic price increases. The FTSE/JSE SWIX Index climbed 2.3%, Industrials were down 1.9% and Financials soared 3.4%. The JSE All Bond Index increased 0.8%, while the rand appreciated by 3.1% relative to the US dollar.

PERFORMANCE

PERIOD	FUND	STeFI
1 month	0.4%	0.3%
3 month	1.5%	1.0%
6 month	2.5%	1.9%
Year to date	0.4%	0.3%
1 year	3.8%	3.8%
2 year	4.1%	4.4%
3 year	5.3%	5.4%
5 year	6.6%	6.2%
10 year	6.9%	6.1%
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.