

Sasfin A Money Market Product

June 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%	0.5%	0.5%	0.4%	0.4%							2.6%	2.2%

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PERFORMANCE SUMMARY

1 Year	3 Year	5 Year	Since Inception
5.1%	5.0%	6.3%	7.7%

PERFORMANCE COMMENTARY

While the US walks the tightrope between inflation and recession, Chinese leaders ushered in yet another era of expansionary rhetoric during June. US inflation surprised to the upside. However, a recession in the US is unlikely. Core inflation continued to fall from 6.2% to 6% YoY, alongside falling inflation breadth measures. While US house prices may cool, they are unlikely to crash as tepid homebuilding over the last decade has pushed the average age of the US residential capital stock to the highest level since 1948. The Fed can afford to raise rates faster and harder than its peers, due to the US consumer's relatively strong footing. While this is partly due to the generous money showers during Covid and appreciating asset prices, average US household net worth has grown 30% since the depths of Covid – compared to only 12% for the EU and UK.

China remains in stark contrast to the US, particularly when it comes to monetary positioning. Beijing recently issued its second batch of gaming licenses after a seven-month freeze and an encouraging month of economic data provided further stock support.

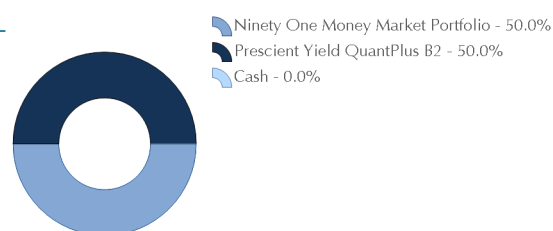
Locally, corruption dominated newspaper headlines in June, from President Cyril Ramaphosa's game farm robbery to the pending extradition of the Guptas, and the suspension of a key PIC executive. The final instalment of Acting Chief Justice Raymond Zondo's reports concluded a four-year, R10-billion investigation and was accompanied by a slew of recommendations to prosecute scores of high-ranking political officials. Ramaphosa has said he will take four months to review the report, so immediate changes are unlikely.

June's shifts in economic conditions, particularly around the US inflation vs recession narrative have driven volatility in global financial markets. Generally, we expect volatility to remain heightened and we continue to find value in more defensive plays such as value and healthcare. We continue to underweight SA equity in favour of emerging markets and remain neutral developed market equity. The risk remains with surging energy prices. For now, supply exists as Russia sells indirectly to China and India, while Iraq is the loser with its traditional customers not buying its medium and heavy crude.

The FTSE/JSE SWIX Index fell by 7.4%, Industrials were up 1.6% and Financials dropped 13.6%. The JSE All Bond Index decreased by 3.1%, while the rand depreciated by 5.1% relative to the US dollar.

PERFORMANCE

PERIOD	FUND	STeFI
1 month	0.4%	0.4%
3 month	1.3%	1.2%
6 month	2.6%	2.2%
Year to date	2.6%	2.2%
1 year	5.1%	4.2%
2 year	3.8%	4.1%
3 year	5.0%	5.0%
5 year	6.3%	5.9%
10 year	6.8%	6.1%
Since Inception (back dated)	7.7%	6.9%



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.