

# MONEY MARKET

## DECEMBER 2018



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### PORTFOLIO FACTS

Benchmark	3-Month Short Term Fixed Interest (STeFI) Index
Current Yield	7.8%
Inception Date	August 2018
Currency	Rand
Investment Type	Segregated Mandate
Minimum Investment	R25,000,000
Recommended Investment Term	12 Months
Annual Management Fee	0,30% (excl. VAT)

### ACCESS

Direct (Segregated Portfolio)	0,30% (excl. VAT)
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### RISK-REWARD PROFILE



### INVESTOR PROFILE

The Money Market Portfolio is suited for institutional and individual investors who are risk-averse and who desire a short-term investment. The portfolio is suited to investors who are seeking returns higher than those offered by bank deposits and who need a high degree of stability in the capital value of the initial (underlying) investment.

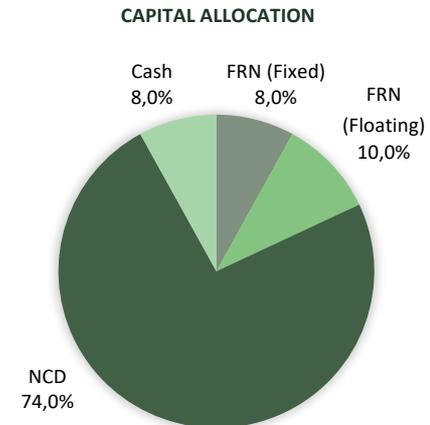
While capital losses are unlikely to occur, investors should be aware that the possibility of capital loss exists. This could happen in the event that an issuer of an underlying investment held by the portfolio defaults. In such a case losses could be borne by investors.

### CONTACT

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### PORTFOLIO STRUCTURE



### MATURITY SPREAD

0 - 3 months	7.9%
3 - 6 months	12.0%
6 - 13 months	80.1%
Total	100.0%

### STRATEGY AND OBJECTIVES

Cannon Asset Managers' Money Market Portfolio aims to generate income in excess of short-term bank deposit rates while preserving capital in an absolute sense with a minimal level of volatility and a high level of liquidity.

We select investments based on our view of interest rate cycles, trends in price inflation and South African Reserve Bank policy, alongside numerous global factors that range from fiscal and monetary aspects to political and demographic features. We invest in South African short-term, highly liquid money market instruments with a maturity of less than thirteen months. A key differentiator of this Portfolio is that we only invest in Bank paper, reducing the overall credit risk of the portfolio and increasing the quality. While corporate paper is higher yielding, there is inherently more risk and therefore is excluded. We typically hold investments until they mature and we take a conservative approach to credit risk.

The weighted average duration of the underlying assets may not exceed 90 days and the weighted average legal maturity may not exceed 120 days. The portfolio is managed to comply with regulations governing retirement fund investments (Regulation 28 of the Pension Funds Act).



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