



Futuregrowth 180 day Enhanced Money Market Composite

September 2020

Description

The Futuregrowth 180 day Enhanced Money Market Composite targets high cash returns through a carefully balanced and actively managed mix of short- and medium-term interest-bearing investments, with a maturity of up to three years. The weighted average modified duration for the Composite may not exceed 180 days. The benchmark is the South African STeFI Composite Index.

Portfolio manager	Michael van Rensburg
Benchmark	South African STeFI Composite Index (STeFI)
Performance target	STeFI + 0.5%
Average yield pickup over risk free rate	0.75%
Current structure	Pooled/Segregated
Inception date	July 2004
Total composite assets	R8.5 billion
Minimum investment	Pooled - R10 million / Segregated - R100 million (Both at manager's discretion)
Termination period	1 calendar month (size dependent)

The Composite is Regulation 28 compliant.

Objective

The Composite aims to outperform the STeFI by 0.5% per annum over a rolling 12-month period.

Composition

This Composite invests in money market securities such as NCDs, debentures, treasury bills, fixed deposits and floating rate notes, and short-term bonds with maturities of up to three years. Single name credit exposure is also permitted.

Yield enhanced strategy

Our yield enhanced strategy relies on maintaining strong relationships with market players. This allows us to see a large degree of deal-flow on a continuous basis and keep an eye on ever-evolving credit events in the market. In the unlisted space, our specialist structuring skills allow us to make loans that ensure lenders achieve the greatest degree of investor protection through loan terms, covenants and security while ensuring risk-adjusted returns with good diversification.

Portfolio Manager

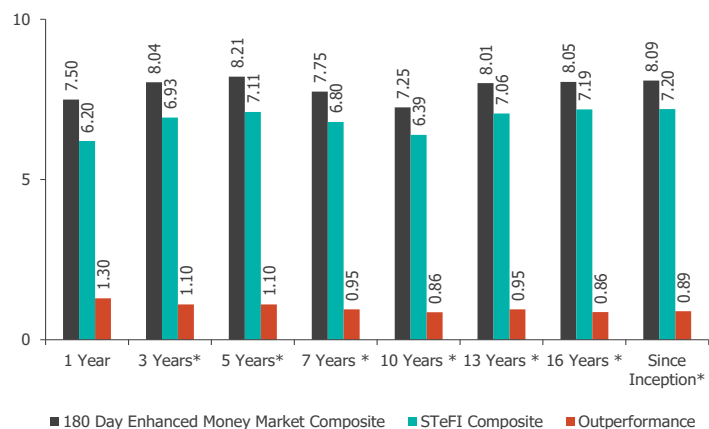


Michael van Rensburg

Michael currently heads up Futuregrowth's Fixed Income trading desk. In addition, he manages a selection of the more Aggressive Futuregrowth Money Market Funds.

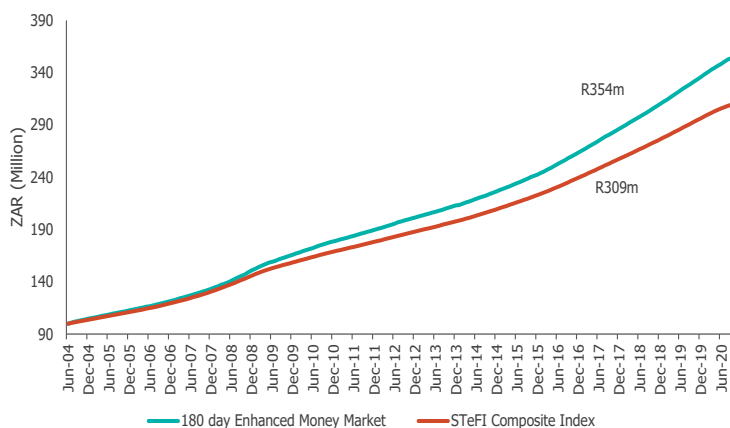


Performance



*Annualised

Cumulative performance



Portfolio exposure

Cash	3.80%
Money Market	96.20%
0-3mth	51.77%
3-6mth	7.04%
6-9mth	21.02%
9-12mth	10.99%
>1yr	5.38%
MD	0.39

Risk statistics

	Information ratio	Tracking error
3 Years	7.65	0.14%
5 Years	7.91	0.14%
10 Years	5.23	0.16%
15 Years	4.12	0.21%

Since inception standard deviation

Composite	0.55%
Benchmark	0.456

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Derivative disclosure: Market derivatives are allowed, but are used infrequently and in small size to manage interest rate risk of the fund relative to the benchmark, and to enable the acquisition of longer-term or fixed rate instruments in the fund. Market derivatives are rarely used to add value due to mispricings. The manager does not employ "naked" written options strategies to increase yield. Credit derivatives are allowed, but used very infrequently and only within credit policies and limits. **FAIS disclaimer:** Futuregrowth Asset Management (Pty) Ltd ("Futuregrowth") is a licensed discretionary financial services provider, FSP 520, approved by the Registrar of the Financial Sector Conduct Authority to provide intermediary services and advice in terms of the Financial Advisory and Intermediary Services Act 37 of 2002. The fund values may be market linked or policy based. Market fluctuations and changes in exchange rates may have an impact on fund values, prices and income and these are therefore not guaranteed. Past performance is not necessarily a guide to future performance. Futuregrowth has comprehensive crime and professional indemnity in place. Performance figures are sourced from Futuregrowth and IRESS. **GIPS disclaimer:** Futuregrowth a subsidiary of Old Mutual Investment Group Holdings (Pty) Limited is a specialist investment company which manages the full range of interest bearing and developmental investments in an ethical and sustainable way. Futuregrowth claims compliance with the Global Investment Performance Standards (GIPS®). Contact Futuregrowth at +27 21 659 5300 to obtain a list of composite descriptions and/or a presentation that complies with the GIPS® standards. The investment returns reflected are supplemental information as they are not calendar year returns and are gross-of-fees. Currency: ZAR.

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