



# May/13

## FINSOLNET MONEY MARKET FUND

### ABOUT THE PORTFOLIO

The Finsolnet Money Market Portfolio is a low risk portfolio 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 arena.

The portfolio is managed on a multi-manager basis. The underlying managers have been selected, mandated, monitored and reviewed by be Amadwala 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 unitised basis on the Sygnia Life license.

### PERFORMANCE SUMMARY

Month	12 Months	Since Inception
0.5%	6.3%	8.4%

### PERFORMANCE COMMENTARY

After a downbeat April, markets rebounded in May, fuelled by supportive monetary policies from central banks around the world as the ECB and the central banks of Australia, Korea, India and Poland all cut their interest rates. Commodities and the rand, however, had a torrid time, while first quarter GDP growth figures worldwide provided few positive surprises.

Early concerns about the US, triggered by weaker manufacturing activity figures, soon dissipated as a slew of economic data pointed to growth continuing. The US unemployment rate fell to 7.5%, its lowest level since December 2008. China, however, is visibly slowing down both in terms of manufacturing and services, with inflation at 2.4% year-on-year pointing to little recovery in domestic demand.

The eurozone, on the other hand, seems to be stabilising, lending credence to predictions of some improvement in the latter half of the year. The first quarter growth figures were disappointing, with the overall eurozone GDP contracting by 0.2% quarter-on-quarter. Market pressures pushed the gold price below the psychologically significant US\$1 400 level, triggering a bout of heavy selling before some rebound on the back of buying of physical gold bars across Asia. The positive mood was a turning point for Portugal, Spain and Italy which all raised money in the bond market as investors, flush with central bank liquidity, snapped up anything offering higher yield.

South African markets rose in unison with global bourses despite the continued sell-off in mining counters on a combination of domestic labour tensions and weaker metal prices. The headline-grabbing act was the rand which plunged to its weakest level in four years against the US dollar on negative sentiment about violent labour unrest in the mining sector, and weak first quarter GDP growth numbers. The seasonally adjusted GDP growth slowed to an annualised 0.9% quarter-on-quarter, the weakest figure since 2009. The Reserve Bank cut its GDP growth forecast for 2013 to 2.4%, and kept interest rates stable.

The FTSE/JSE All Share Index delivered a healthy 8.5% return, fuelled by Resources which rose by 12.4% and Industrials by 11.6%. Financial shares lagged with a return of 2.1% on the back of concerns about a credit bubble in unsecured lending, and the overheated Listed Property sector pulled back by 11.1%. The bond market saw a significant outflow of foreign investments, delivering -4.6%, while the rand depreciated by 12.3% on negative sentiment.

### PERFORMANCE

PERIOD	FUND	BM	DIFFERENCE
1 month	0.5%	0.4%	0.1%
3 month	1.5%	1.3%	0.3%
6 month	3.1%	2.5%	0.5%
Year to date	2.5%	2.1%	0.4%
1 year	6.3%	5.3%	1.0%
2 year	6.2%	5.5%	0.7%
3 year	6.5%	5.8%	0.7%
5 year	8.1%	7.3%	0.9%

### HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2009</b>	0.9%	1.0%	1.0%	0.8%	0.8%	0.7%	0.7%	0.8%	0.6%	0.6%	0.7%	0.7%	<b>9.6%</b>
<b>2010</b>	0.7%	0.6%	0.8%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.5%	<b>7.7%</b>
<b>2011</b>	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.4%	0.5%	0.5%	<b>6.1%</b>
<b>2012</b>	0.5%	0.5%	0.5%	0.5%	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	<b>6.4%</b>
<b>2013</b>	0.5%	0.5%	0.5%	0.5%	0.5%								<b>2.5%</b>

### FOR MORE INFORMATION CONTACT:

Sygnia Asset Management | 7th Floor | The Foundry | Cardiff Street | Green Point | 8001  
Tel | +27 21 446 4940 Fax | +27 21 446 4950 E-mail | info@sygnia.co.za

Disclaimer - Sygnia Life Limited: The information and commentary contained in this document is of a general nature and is not intended to address the circumstances of a particular individual or entity. Whilst reasonable care was taken in ensuring that the information is accurate, Sygnia Life Limited does not warrant its accuracy, correctness or completeness and accepts no liability in respect of any damages and/or loss suffered as a result of reliance on the information in this document. No one should act on the information contained in this document without having obtained appropriate and professional investment, legal, tax and such other relevant advice as may be required in each instance. Sygnia Life Limited is a licensed financial services provider (FSP 2935): 7th Floor, the Foundry, Cardiff Street, Green Point, 8001 Tel: (021) 446 4940/Fax: (021) 446 4950

