



# November/15

## 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 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
0.6%	7.1%	8.0%

### PERFORMANCE COMMENTARY

November brought a spew of disheartening news, including new frontiers for terror with an attack on Paris and a shut-down of Brussels, numerical confirmation of slowing global economic growth and a further collapse in commodity prices. Despite all of that, the most meaningful consideration for investors remained the rising certainty that the US Federal Reserve will increase interest rates in December. The expectations of an imminent US interest rate hike strengthened the US dollar, a negative for commodities and the rand which hovered between R14.15/US\$ and R14.50/US\$ through November.

Heedless of global woes the US economy continued to grow at a moderate pace, supporting the argument for a hike. October was the best month for job creation this year, with the official unemployment rate dropping to 5.0%, which is regarded as "full employment". The third quarter GDP growth number was revised upwards to an annualised 2.1%. While the US Fed is poised for tightening, the ECB is readying for more stimulus in response to a visible slowdown in the eurozone, where the third quarter GDP number came in at 0.3% quarter-on-quarter as exports weakened. The European Commission forecasts that the GDP in the 19-nation eurozone will grow by 1.6% this year and 1.8% in 2016.

China's economic data continued to disappoint as the country seems to be readying to cut its official five-year economic growth target to 6.5%.

There was no shortage of bad news in South Africa which is waiting for credit rating updates due in the first week of December. The economy continued to battle drought and low commodity prices, while the rand collapsed to new lows against the US dollar. Consumer inflation came in at a surprisingly benign 4.7% year-on-year in October, lagging in reflecting the effect of the weak rand. The Reserve Bank increased the repo rate by 0.25% for the second time this year to 6.25%, taking the prime lending rate to 9.75%. South Africa's economy avoided a technical recession by growing at a seasonally adjusted and annualised 0.7% in the third quarter, after contracting by 1.3% in the second quarter.

The FTSE/JSE SWIX index fell by 2.7%, pulled down by the sharp 22.5% drop in resources shares. Financials returned -4.0%, while the industrials fell by 1.0%. The JSE All Bond Composite index dropped by 1.0%, while the rand finished the month 4.5% down relative to the US dollar at R14.43/US\$.

### PERFORMANCE

PERIOD	FUND	BM	DIFFERENCE
1 month	0.6%	0.5%	0.1%
3 month	1.8%	1.6%	0.2%
6 month	3.6%	3.2%	0.4%
Year to date	6.5%	5.9%	0.7%
1 year	7.1%	6.4%	0.7%
2 year	6.5%	6.1%	0.4%
3 year	6.5%	5.8%	0.7%
5 year	6.4%	5.8%	0.6%

### HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<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%	0.5%	0.5%	0.5%	0.5%	0.6%	0.5%	0.5%	<b>6.3%</b>
<b>2014</b>	0.5%	0.5%	0.5%	0.6%	0.5%	0.6%	0.5%	0.0%	0.5%	0.6%	0.5%	0.6%	<b>6.0%</b>
<b>2015</b>	0.5%	0.5%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%		<b>6.5%</b>

### FOR MORE INFORMATION CONTACT:

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