



April/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%	8.5%

PERFORMANCE COMMENTARY

April brought an abrupt end to the bull market in commodities, and in particular gold, as commodity prices fell on rising concerns about slowing growth prospects in the US and China.

The FTSE/JSE All Share Index declined 2.5%, pulled down by the Resources sector which fell by 8.5%. The Gold Mining sector lost a massive 19.3%, while the Platinum Mining sector fell by 10.2%. The BESA All Bond Index, on the other hand, came in at a strong 4.1% on the resumption of foreign interest, while the Rand strengthened by 2.8% against the US dollar. In Europe, both the Bank of England and the ECB kept interest rates on hold despite mounting evidence that the eurozone is slipping deeper into recession. However, expectations that the ECB will act in May helped to revive markets at month-end.

The magnitude of new stimulus measures announced by Japan's central bank, at three times the US Federal Reserve's stimulus as a share of the economy, caught the market by surprise. The Bank aims to double the amount of money in circulation to boost inflation to 2% within 2 years. If nothing else, the injection of money is expected to reignite the yen "carry trade" as Japan's institutions seek higher yields offshore.

The gold price started to slide mid-month after Cyprus's central bank announced a US\$400 million sale of gold reserves, setting an uncomfortable precedent for other heavily indebted nations such as Italy and Portugal. It deteriorated further after the announcement of a slowdown in China's economic growth to an annualised 7.7% in the first quarter. The gold price sank to a low of US\$1 321.35/oz by 16 April, before rebounding to US\$1 476.75/oz by month-end after the first estimate of US first quarter GDP growth came in at a lower-than-expected annualised rate of 2.5%.

In South Africa labour unrest continued against a backdrop of lacklustre economic data with labour relations expected to remain fraught through 2013. The bus industry is already on strike, while the motor and mining industries are preparing for negotiations. This is not great news for the rand, which has had a turbulent time of late. The currency has fallen by 5.9% against the US dollar since the start of 2013 on the back of massive current account deficit numbers. However, the currency strengthened to R8.97/US dollar at month-end on the positive news that South Africa's trade deficit had narrowed to R7.8 billion in March. Consumer inflation was unchanged at 5.9% year-on-year in March, slightly below expectations.

PERFORMANCE

PERIOD	FUND	BM	DIFFERENCE
1 month	0.5%	0.4%	0.1%
3 month	1.5%	1.2%	0.3%
6 month	3.0%	2.5%	0.5%
Year to date	2.0%	1.7%	0.3%
1 year	6.3%	5.4%	1.0%
2 year	6.2%	5.5%	0.7%
3 year	6.5%	5.8%	0.7%
5 year	8.2%	7.4%	0.8%

HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
2009	0.9%	1.0%	1.0%	0.8%	0.8%	0.7%	0.7%	0.8%	0.6%	0.6%	0.7%	0.7%	9.6%
2010	0.7%	0.6%	0.8%	0.6%	0.6%	0.6%	0.6%	0.6%	0.6%	0.5%	0.6%	0.5%	7.7%
2011	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%	0.4%	0.5%	0.5%	6.1%
2012	0.5%	0.5%	0.5%	0.5%	0.6%	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.5%	6.4%
2013	0.5%	0.5%	0.5%	0.5%									2.0%

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

