Minimum Disclosure Document

(Fund Fact Sheet)

Satrix Money Market Fund

February 2019

Fund Objective

This fund aims to deliver a higher level of income than fixed deposits and call deposits over time. Capital preservation is of primary importance and the fund offers immediate liquidity. The fund has no offshore exposure.

Fund Strategy

The fund invests in a range of money market instruments which include negotiable certificates of deposit, bankers' acceptances, debentures, treasury bills and call accounts. The fund may only invest in money market instruments with a maturity of less than 13 months. While capital losses are unlikely, they can occur if, for example one of the issuers of an instrument held by the fund defaults. In this event losses will be borne by the fund and its investors.

Why choose this fund?

- This fund is ideal for use as an emergency fund.
- It could form the core fund of your portfolio's cash component.
- It is ideal for risk-averse investors, or investors who are waiting for market volatility or global uncertainty to subside.
- The fund should produce higher returns than call deposits while interest rates are declining.
- The fund pays out income on a monthly basis.
- In rising interest rate environments, these funds will benefit soonest from higher call deposit rates.

Fund Information

ASISA Fund Classification	SA - Interest Bearing - Money Market
Risk profile	Ultra conservative
Benchmark	STeFI Composite Index
Portfolio launch date	01 December 2016
Fee class launch date	01 December 2016
Minimum investment	Lump sum: R10 000 | Monthly: R500
Portfolio size	R190.5 million
Yield	7.77%
Last twelve distributions	28 Feb 2019: 0.57 cents per unit 31 Jan 2019: 0.63 cents per unit 31 Dec 2018: 0.62 cents per unit 30 Nov 2018: 0.57 cents per unit 31 Oct 2018: 0.61 cents per unit 30 Sep 2018: 0.62 cents per unit 31 Aug 2018: 0.62 cents per unit 31 Jul 2018: 0.62 cents per unit 30 Jun 2018: 0.59 cents per unit 31 May 2018: 0.61 cents per unit 30 Apr 2018: 0.59 cents per unit 31 Mar 2018: 0.62 cents per unit
Income decl. dates	Last day of each month
Income price dates	1st working day of the following month
Valuation time of fund	17:00
Transaction cut off time	13:00
Daily price information	Local newspaper and www.satrix.co.za
Repurchase period	3 working days

Fees (Incl. VAT)

	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.29
Total Expense Ratio (TER)	0.31
Transactional Costs (TC)	0.01

Total Expense Ratio (TER) | Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor.

The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

The Total Expense Ratio (TER) is the charges incurred by the portfolio, for the payment of services rendered in the administration of the CIS. The TER is
expressed as a percentage of the daily NAV of the CIS and calculated over a period of 1 year. The TER is calculated from 01 January 2018 to 31 December 2018. A higher TER does not imply a poor return nor does a low TER imply a good return.

The Transaction Cost (TC) is the cost incurred by the portfolio in the buying and selling of underlying assets. This is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 1 year. Obtain the costs of an investment prior to investing by using the EAC calculator provided at www.satrix.co.za.

Top 10 Holdings

Securities	% of Portfolio
Republic of South Africa TB 7.741669% 08052019	10.22
Nedbank F/R 27032019	5.25
ABSA NCD 8.30% 02102019	4.29
Investec F/R 04032019	2.64
Nedbank F/R 22032019	2.63
ABSA F/R 17052019	2.60
ABSA F/R 31052019	2.59
Mercedes Benz South Africa 9.035% 160419	2.30
FirstRand NCD 9.03% 02122019	2.13
Nedbank F/R 14102019	2.10

Top 10 Holdings as at 28 Feb 2019

Performance (Annualised) as at 28 Feb 2019 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	7.50	7.26
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	7.62	7.37

Annualized return is the weighted average compound growth rate over the period measured.

Performance (Cumulative) as at 28 Feb 2019 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	7.50	7.26
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	17.25	16.67

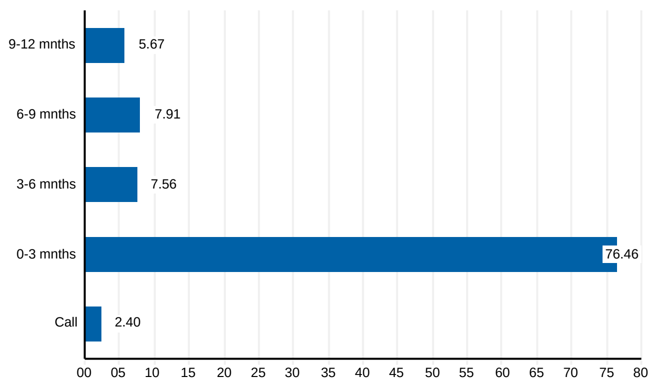
Cumulative return is aggregate return of the portfolio for a specified period

Actual highest and lowest annual returns*

Highest Annual %	7.76
Lowest Annual %	7.50

This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary Terms Sheet.

Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Dec 2018

Market review

The event with the most market importance this quarter, namely the Medium Term Budget Policy Statement (MTBPS), was luckily not impacted by the controversy relating to the revelations by then-Finance Minister Nhlanhla Nene that he also attended numerous meetings with the Guptas. Subsequently, Nene requested that President Cyril Ramaphosa release him from his post. Market nervousness followed, because of the uncertainty of how long he would remain in this post and also who his potential replacement would be. Ramaphosa ended this nervous tension by accepting Nene's resignation and appointing former South African Reserve Bank (SARB) Governor and former Minister of Labour, Tito Mboweni, as his replacement. The markets were surprised by this appointment and reacted positively.

The MTBPS, as presented by the newly appointed finance minister, was, although realistic, still more negative than expected. This was because of a 0.5% fiscal slippage in the projected budget deficit for FY 2018/19, from 3.8% (as in the March 2018 main budget) to 4.3% of GDP. Additionally, the forecast fiscal consolidation in FY 2021/22, with debt reaching a maximum of 56.2% of GDP, has been moved out to FY 2023/24 and the new debt-to-GDP high will be 59.6%. This, together with other negative comments, seems to have raised the risk that Moody's will change the outlook on its local and foreign SA Baa3 ratings from Stable to Negative.

During the quarter headline CPI increased from 4.9% year-on-year (y/y) in September to 5.2% y/y in November. This was mainly as a result of higher fuel price inflation. Looking ahead, the 5.2% y/y headline inflation will most likely be a near-term high, seeing that there are a number of potential fuel price decreases on the horizon. Core inflation increased from 4.2% y/y in September, to 4.4% y/y in November, potentially showing some second-round inflationary effects. PPI inflation increased from 6.2% y/y in September to 6.8% y/y in November, predominantly as a result of increases in the prices of fuel, food, paper and printed products.

At its November Monetary Policy Committee (MPC) meeting, the SARB decided to hike the repo rate by 25 basis points (bps) to 6.75%, despite much lower oil prices and the Rand strengthening by 5.2% since the September MPC meeting. They also increased their oil and electricity price assumptions, which will add about 0.2% to their inflation forecast. Notwithstanding the latter, the SARB lowered its 2019 headline CPI forecast by 0.2% to 5.5% y/y and its core CPI forecast by 0.3% to 5.3%. In conclusion, it seems now as if the SARB is clearly focused on trying to get inflation closer to the midpoint of the target range, i.e. 4.5%.

Mid-quarter, Finance Minister Mboweni stated that SAA must be closed down. On the contrary, Ramaphosa stated that it would be difficult to close down the national carrier, arguing that closing it down would mean that the government must assume all its government guaranteed debt, which would create problems for other state-owned enterprises (SOEs). Ramaphosa also signed the National Minimum Wage Bill into law, which will be effective from 1 January 2019. Labour union federation COSATU welcomed the development and called the president 'a champion of the workers'.

Rating agency Standard & Poor's left SA's BB foreign currency and BB+ local currency sovereign credit ratings unchanged with a Stable Outlook. They mentioned that the potential negative impact of expropriation of land without compensation will be limited by the checks and balances in SA's institutional framework. Fitch also affirmed SA's long-term local and foreign currency debt ratings at BB+ with a Stable Outlook. They warned that, if the current low growth were to continue over the next few years, it will be a significant risk to debt sustainability.

The SA economy expanded by 2.2% in the third quarter of 2018, exiting the technical recession of the first two quarters of the year. The mining sector contracted sharply, the manufacturing sector rebounded significantly and the agricultural sector recovered much more than expected.

In December this year there were no significant local events like last year, such as the Ramaphoria kick-off and the Steinhoff catastrophe, although one can argue that the potential demise of Edcon came close. Local markets were driven mostly by global markets, issues and events. These include the continued trade dispute between the US and China, US monetary and fiscal policy, and Brexit.

On her visit to SA, International Monetary Fund Managing Director Christine Lagarde stated that SA has 'immense economic potential', but first a number of economic reforms are required. These reforms include fostering competition, strengthening public finances, improving the operational efficiency and financial situation of SOEs, promoting financial inclusion and fighting through increased transparency and accountability.

The US Federal Reserve (Fed) lifted their policy rate by 25 bps for the fourth time this year. Although this seemed to surprise the market, it's completely justified considering that the US job market is still running hot and rates are still low enough to keep stimulating the economy. These higher US real yields, due to their strong economy, however, have been putting pressure on emerging markets. For next year, the Fed lowered their forecast to only two interest rate hikes, which may provide support for emerging market and risk assets.

Beginning December, a Brexit deal was put on the table which the UK parliament had to vote on; this decision was postponed by Prime Minister Theresa May until next year, in essence acknowledging that the deal would not have succeeded.

The unemployment rate of the third quarter of 2018 increased to 27.5% from 27.2% in the second quarter. The Rand weakened to R14.38 against the US Dollar from R14.17. The 10-year SA government bond remained basically unchanged at 9.21% from 9.22% previously. The trade balance increased to a surplus of R3.49 billion from a deficit of R3.83 billion.

The money market yield curve flattened over the quarter, as a result of the 25-bps rate hike in November.

What we did

All maturities were invested across the money market yield curve, exploiting the term premium as well as adding some higher-yielding fixed-term negotiable certificates of deposit (NCDs). Quality corporate credit, which traded above the three -month JIBAR rates, was added to the portfolio. We preferred a combination of floating rate notes (FRNs) in the portfolio together with some fixed-rate NCDs. The combination of corporate credit, high-yielding NCDs and FRNs will enhance portfolio returns.

Our strategy

Our preferred investments would be a combination of fixed-rate notes, FRNs and quality corporate credit to enhance returns in the portfolio. With the money market yield curve flattening as a result of the interest rate hike, fixed-rate notes are now only slightly more attractive than FRNs.

Portfolio Manager(s)

The Satrix Investment Team

Management of Investments

The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Satrix Money Market Fund

February 2019

Risk Profile (Conservative)

An ultra-conservative portfolio caters for an extremely low risk tolerance, and is designed for minimum capital fluctuations and volatility. It carries a short time-frame for investment. There are no growth assets in this portfolio and it is a cash-based investment. The ultraconservative portfolio aims to yield returns that are level with inflation. Capital protection is of prime importance

Additional Information

Although all reasonable steps have been taken to ensure the information on this website/advertisement/brochure is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

*The highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Satrix Managers (RF) (Pty) Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result is a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 (“CISCA”). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks as well as potential limitations on the availability of market information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Chartered Bank is the appointed trustee of the Satrix Managers Scheme.

Trustee Information

Standard Chartered Bank

Tel no.: 011 217 6600, E-mail: zatrustee.securities@sc.com

Glossary of Terms

Annualised total returns
Annualised return is the weighted average compound growth rate over the period measured.

Call deposits
Call deposits or call deposit accounts allow investors to deposit and withdraw funds in several currencies, which commonly include the U.S. dollar, the euro and the British pound. This flexibility reduces investors' exposure to foreign exchange expenses and currency risk.

Capital preservation
This is an investment strategy where the primary goal is to preserve (protect) capital and prevent losses in a portfolio. Preserving capital is a priority for retirees and those approaching retirement, since they may be relying on their investments to generate income to cover their living expenses, and have limited time to recoup losses if markets experience a downturn.

Fixed deposits
A fixed deposit or term deposit is an amount of money held at a financial institution for a fixed amount of time. It pays higher interest than a savings account but imposes conditions on the amount, frequency, and/or period of withdrawals.

LISP (Linked Investment Service Provider)
A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Money market instruments
A money market instrument is a low risk, highly liquid, short-term (one year or less) debt instrument, issued by financial institutions or governments, that tend to have lower returns than high-risk investments.

Regulation 28
Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds. The allowed maximum exposures to certain asset classes is: 75% for equities; 25% for property; 25% for foreign (offshore) and 5% African assets.

Sharpe ratio
The Sharpe ratio measures risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio’s returns are due to excessive risk or not. The greater a portfolio’s Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Standard deviation
Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the amount of expected volatility in an investment.

Total Expense Ratio (TER)
This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Tax Free Unit Trust
This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R33 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are taxable.