Finsolnet Money Market Fund

sasfin
ASSET CONSULTING
UNLIMITED FINANCIAL HORIZONS

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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 Sasfin 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	1 Year	3 Year	5 Year
0.5%	7.7%	10.1%	9.7%

PERFORMANCE COMMENTARY

Confounding the sceptics, 2010 ended on a high note, with the FTSE/JSE All Share Index returning 19.0% for the year, and the BESA All Bond Index 15.0%. The Rand strengthened by 10.6% over the same period. December contributed strongly to this performance with the FTSE/JSE All Share Index adding 6.2%, driven largely by Resources which returned 7.7%.

December brought more concerns about the eurozone debt crisis and a shift in the balance of power in the US as President Barack Obama gave in to the Republicans' demands for the retention of tax cuts. Government bond yields spiked on concerns about levels of debt of Western economies. Strikes made headlines in Greece and Spain (against austerity measures), Italy (against the survival in power of the Prime Minister Silvio Belusconi) and the UK (against the raising of university tuition fees). China increased interest rates in response to record inflation in November. However globally stock markets ended on a high, breaching levels last seen prior to the collapse of Lehman Brothers in September 2008. There is a widespread expectation that the rally will continue into 2011.

South Africa has been invited to join the BRIC group of emerging economies, which includes Brazil, Russia, India and China. Given its small size and weak economic growth South Africa's ascension is more reflective of global politics than economics, with China viewing the country as the gateway for investment into Africa.

The latest domestic data releases paint a picture of an economy which has stabilised and may even be in weak recovery. Consumer spending has improved as evidenced by strong retail and new vehicle sales numbers. It is expected to pick up further in 2011 as interest rate cuts filter through to support demand. The trade account recorded a surprise R8.4 billion surplus in November on stronger than expected exports. On a negative note, unemployment remains a problem, with the number of permanent workers falling by 2.7% in November after a 2.8% rise in October. Credit extension to the private sector slowed to 4.6% year-on-year reflecting concerns about further borrowing in the face of a weak recovery. Consumer inflation quickened to 3.6% year-on-year in November (0.2% month-on-month), while producer inflation slowed to 6.2%.

The National Treasury upped the limit for institutional investments offshore by 5%. Retirement funds can now invest 25% offshore, and unit trusts, asset managers and long-term insurers 35%.

ABOUT SYGNIA

Sygnia is a financial services group specialising in the design and management of customised multi-manager product solutions for institutional clients in South Africa and globally. Sygnia Life is a registered life assurance company within the group.

ABOUT SASFIN

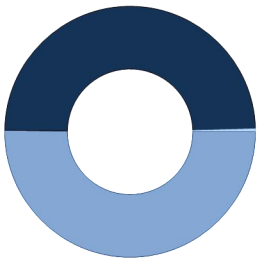
Sasfin is a premier South African banking group, providing business banking, wealth management, capital, specialised services and treasury services. Sasfin Asset Consulting, a division of Sasfin, provides a comprehensive, independent and highly professional financial advisory service to institutional clients.

TOTAL EXPENSE RATIO

0.650% per annum (excluding VAT)

PERFORMANCE

PERIOD	FUND	STEFI
1 month	0.5%	0.5%
3 month	1.6%	1.6%
6 month	3.6%	3.3%
Year to date	7.7%	6.9%
1 year	7.7%	6.9%
2 year	8.7%	8.0%
3 year	10.1%	9.2%
5 year	9.7%	8.9%
Since Inception (back dated)	9.2%	8.5%



HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	STeFI
2006	0.6%	0.6%	0.6%	0.6%	0.6%	0.7%	0.6%	0.7%	0.7%	0.7%	0.7%	0.7%	**8.0%**	**9.3%**
2007	0.8%	0.7%	0.7%	0.7%	0.8%	0.7%	0.9%	0.8%	0.8%	0.8%	0.8%	0.9%	**10.0%**	**11.7%**
2008	1.0%	0.9%	1.0%	0.8%	0.9%	1.2%	1.2%	1.1%	1.0%	1.1%	1.1%	1.2%	**13.1%**	**9.1%**
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%**	**6.9%**
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%**	**6.9%**

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Past investment returns are not indicative of future returns and the returns are not guaranteed.

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