

Finsolnet Money Market Fund

September 2011

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%	6.3%	8.5%	9.4%

PERFORMANCE COMMENTARY

Three years on, September brought back memories of the dark days post the collapse of Lehman Brothers. Markets fell, the rand weakened and commodity prices plummeted as Greece's troika of foreign lenders, the European Central Bank, the European Commission and the IMF demanded additional austerity measures as a condition for releasing the next instalment of US\$11 billion in aid. Fears of a Greek default panicked world markets and revealed deep fissures in the European Union. Global economic weakness added fuel to the fire. Nervous investors poured cash into safe havens, such as the US dollar, gold and the Swiss franc. Gold price reversed however, and the rand plunged, as the US dollar strengthened and a need for liquidity sapped investments out of the emerging markets.

Cutting its global growth forecast to 4.0% for 2011, the IMF warned the global economy had entered a "dangerous new phase". Amid growing criticism that Europe's response to the debt crisis lacks coordination, France and Germany pushed for the ratification of the agreement reached on 21 July 2011 to expand the European rescue fund to €440 billion. Rumours also spread that the two countries are working on building a "firebreak" around Greece, Portugal and Ireland to prevent the crisis spreading to Italy and Spain, countries considered "too big to bail".

The Fed meanwhile ramped up its aid to the US economy but stopped short of QE3 measures.

The rand dominated headlines as it plunged from R7.30/US\$ at the start of September to a 28-month low of R8.49/US\$ mid-month, before ending the month at R8.07/US\$ on the back of portfolio flows. The South African economy proved once again that it is not immune to the global crisis with the short term economic indicators pointing to a weak third quarter.

CPI stayed level at 5.3% year-on-year in August, but is expected to pick up by year end on the back of higher food, oil and energy prices. The Reserve Bank left the repo rate unchanged at 5.5% and is not expected to increase rates for as long as growth is anaemic. The FTSE/JSE All Share Index ended the month 3.6% down, pulled down by Resources (-4.7%). Both Industrial and Financial sectors ended the month negative (-3.4% and -3.3% respectively). The bond market suffered from strong foreign selling, falling by 2.1%. International exposure fared better, largely aided by the sharp depreciation of the rand.

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

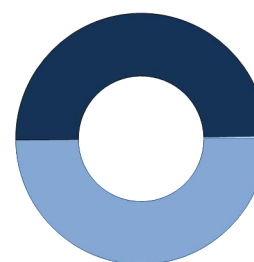
Sasfin is a premier South African banking group, providing business banking, wealth management, capital, specialised services and treasury services. Sasfin Asset Consulting, a division of Sasfin, provides a comprehensive, independent and highly professional financial advisory service to institutional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

TOTAL EXPENSE RATIO

0.650% per annum (excluding VAT)

PERFORMANCE

PERIOD	FUND	STeFI
1 month	0.5%	0.5%
3 month	1.4%	1.4%
6 month	2.9%	2.8%
Year to date	4.6%	4.3%
1 year	6.3%	5.9%
2 year	7.2%	6.6%
3 year	8.5%	7.8%
5 year	9.4%	8.7%
Since Inception (back dated)	8.9%	8.3%



HISTORICAL PERFORMANCE

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year	STeFI
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%	9.3%
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%	11.7%
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%	9.1%
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%
2011	0.5%	0.6%	0.5%	0.5%	0.5%	0.5%	0.4%	0.5%	0.5%				4.6%	4.3%

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

FAIS Notice and Disclaimer:

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