

## WHAT IS THE FUND'S OBJECTIVE?

The Money Market Fund aims to outperform one to three year fixed deposit and call accounts over time, while taking the lowest level of capital risk consistent with this objective.

## WHAT DOES THE FUND INVEST IN?

The fund will only invest in South African money market instruments with a maturity of less than a year. These include a wide range of instruments issued by banks and other institutions. The fund has a limit of 120 days on the average maturity of its investments. The fund is mandated to use derivative instruments for efficient portfolio management purposes.

## IMPORTANT PORTFOLIO CHARACTERISTICS AND RISKS

### Risk Profile



### Maximum growth/ minimum income exposures



The fund is tactically managed to achieve the best possible return achievable from short maturity money market instruments, while aiming to protect capital at all times.

Our fixed income investment team researches the full spectrum of money market instruments to capture the best possible returns. The fund's investments are subjected to a strict risk management process.

While the low risk of losing money over all investment periods is reflected in the fund's constant daily price, an investment in the fund is not equivalent to a bank deposit account and losses are possible.

The return to the investor is made up of interest received plus or minus any gains or losses made on the underlying instruments held in the fund. In most cases, these gains or losses will merely increase or decrease the daily yield, but in the case of abnormal credit events impacting underlying holdings, the capital value of the portfolio may reduce.

## HOW LONG SHOULD INVESTORS REMAIN INVESTED?

The recommended investment term is one month and longer.

Given its lack of exposure to growth assets, the fund is not suited for lengthy investment terms.

## WHO SHOULD CONSIDER INVESTING IN THE FUND?

Investors who require:

- an alternative to bank deposits;
- a place to 'park' their savings for a short time;
- quick access to their money,
- a low-risk investment to diversify their portfolio;
- capital protection, but not capital growth.

## WHAT COSTS CAN I EXPECT TO PAY?

An annual fee of 0.25% (excl. VAT) is payable.

Fund expenses that are incurred in the fund include trading, custody and audit charges. All performance information is disclosed after deducting all fees and other portfolio costs.

We do not charge fees to access or withdraw from the fund.

More detail is available on [www.coronation.com](http://www.coronation.com).

## WHO ARE THE FUND MANAGERS?



**NISHAN MAHARAJ**  
BSc (Hons), MBA



**MAURO LONGANO**  
BScEng (Hons), CA (SA)



**SINOVUYO NDALENI**  
BBusSc

## GENERAL FUND INFORMATION

Launch Date	1 October 1999
Fund Class	A
Benchmark	Alexander Forbes STeFI 3-month Index
Fund Category	South African – Interest Bearing – Money Market
Regulation 28	Does not comply
Income Distribution	Monthly
Investment Minimum	R10 000 (lump sum only)
Bloomberg Code	CORIBMM
ISIN Code	ZAE000022885
JSE Code	CMMF

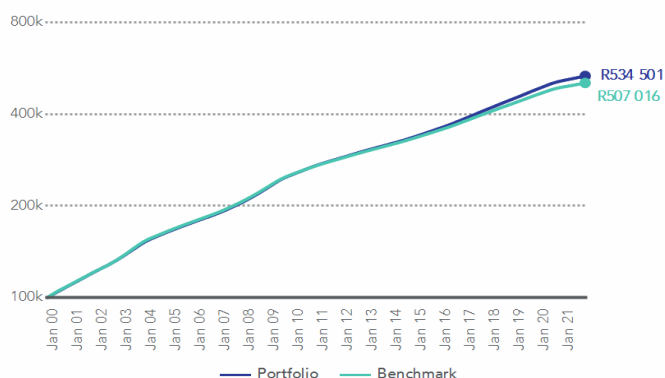
CLASS A as at 31 August 2021

<b>Fund category</b>	South African - Interest Bearing - Money Market
<b>Launch date</b>	01 October 1999
<b>Fund size</b>	R 4.11 billion
<b>NAV</b>	100.00 cents
<b>Benchmark/Performance</b>	Alexander Forbes 3-month (SteFl) Index
<b>Fee Hurdle</b>	
<b>Portfolio manager/s</b>	Nishan Maharaj, Mauro Longano and Sinovuyo Ndalenlani

	1 Year	3 Year
<b>Total Expense Ratio</b>	0.30%	0.30%
Fund management fee	0.25%	0.25%
Fund expenses	0.01%	0.01%
VAT	0.04%	0.04%
<b>Transaction costs (inc. VAT)</b>	0.00%	0.00%
<b>Total Investment Charge</b>	0.30%	0.30%

## PERFORMANCE AND RISK STATISTICS

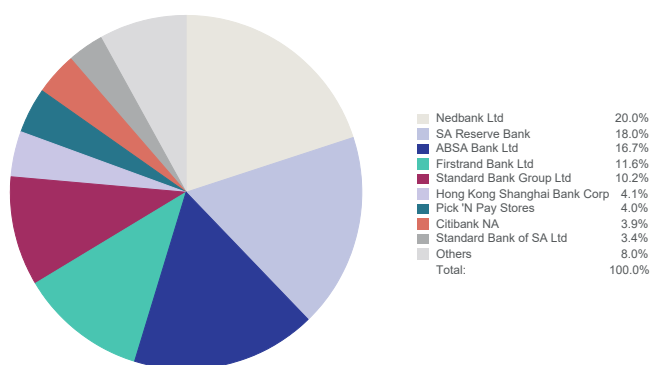
### GROWTH OF A R100,000 INVESTMENT (AFTER FEES)



## PORTFOLIO DETAIL

### CREDIT EXPOSURE

As at 30 Jun 2021



## PERFORMANCE FOR VARIOUS PERIODS (AFTER FEES)

	Fund	Benchmark	Active Return
Since Launch (unannualised)	434.5%	407.0%	27.5%
Since Launch (annualised)	7.9%	7.7%	0.3%
Latest 20 years (annualised)	7.7%	7.4%	0.3%
Latest 15 years (annualised)	7.2%	6.8%	0.4%
Latest 10 years (annualised)	6.4%	5.9%	0.5%
Latest 5 years (annualised)	6.8%	6.1%	0.7%
Latest 3 years (annualised)	6.1%	5.4%	0.7%
Latest 1 year	3.9%	3.5%	0.5%
Year to date	2.6%	2.3%	0.3%

## MATURITY PROFILE DETAIL

	31 Aug 2021
Average Duration in days	59

## RISK STATISTICS SINCE LAUNCH

	Fund	Benchmark
Annualised Deviation	0.6%	0.7%
Sharpe Ratio	(0.16)	N/A
Maximum Gain	434.5%	N/A
Maximum Drawdown	N/A	N/A
Positive Months	100.0%	N/A

The price of each unit is aimed at a constant price of 100 cents per unit. The total return to the investor is primarily made up of interest received but, may also include any gain or loss made on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the Fund.

	Fund	Date Range
Highest annual return	12.9%	Aug 2002 - Jul 2003
Lowest annual return	3.9%	Sep 2020 - Aug 2021

## MONTHLY PERFORMANCE RETURNS (AFTER FEES)

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
Fund 2021	0.31%	0.28%	0.30%	0.33%	0.33%	0.33%	0.34%	0.35%					2.60%
Fund 2020	0.62%	0.57%	0.61%	0.53%	0.50%	0.42%	0.41%	0.37%	0.33%	0.33%	0.31%	0.32%	5.44%
Fund 2019	0.63%	0.59%	0.65%	0.63%	0.66%	0.63%	0.64%	0.63%	0.60%	0.62%	0.59%	0.62%	7.75%
Fund 2018	0.64%	0.58%	0.64%	0.61%	0.63%	0.61%	0.62%	0.63%	0.61%	0.62%	0.61%	0.63%	7.68%
Fund 2017	0.66%	0.60%	0.66%	0.64%	0.66%	0.63%	0.65%	0.65%	0.62%	0.64%	0.61%	0.64%	7.93%

## INCOME DISTRIBUTIONS

Declaration	Payment	Yield
31 Aug 2021	01 Sep 2021	4.05
31 Jul 2021	02 Aug 2021	4.53
30 Jun 2021	01 Jul 2021	3.91
31 May 2021	01 Jun 2021	3.81

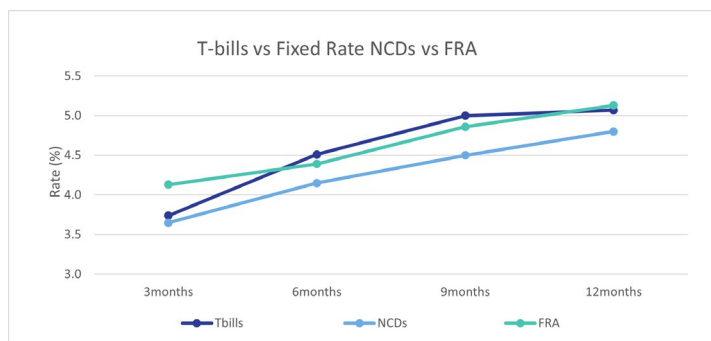
*Please note that the commentary is for the retail class of the fund.*

The Fund generated a return (net of management fees) of 1.0% for the second quarter of 2021 (Q2-21) and 4.0 % over a rolling 12-month period, which is ahead of the three-month Short-Term Fixed Interest (SteFI) benchmark return of 3.5%.

The South African economy grew by 4.6% quarter on quarter (q/q) seasonally adjusted annualised (saa) in Q2-21, compared to a revised growth of 5.8% q/q saa in Q4-20. Positive contributions came from the financial and business services, mining, manufacturing, transport and trade sectors. From the demand side, household and government spending slowed down but remained positive contributors to GDP, while inventories provided a strong boost as these were drawn down at a slower pace than before. The new restrictions could dampen third-quarter GDP this year, despite efforts made to limit the impact on the broader economy. Another threat to economic recovery is the slow pace of the Covid-19 vaccine rollout programme.

The South African Reserve Bank (SARB) Monetary Policy Committee (MPC) unanimously voted to leave the repo rate unchanged at 3.5% at the last meeting. The MPC also revised 2021 growth upwards to 4.2% from a previous forecast of 3.8%. The upward revision was prompted by higher commodity prices and improved trade data, and better prospects for the global growth recovery. While growth outlook risks are 'balanced', the MPC sees inflation risks on the upside. On the interest rate side, the SARB's Quarterly Projection Model (QPM) continues to signal a 25bps rate hike in Q4-21.

The market has become more hawkish with the Forward Rate Agreements ( FRA ) curve pricing in two 25bps rate hikes before the end of the year. We have seen this hawkishness flow through to fixed-rate NCD and Treasury bill markets, with the nine-month T-bill now yielding 5% from 4.8% in the last quarter. Our T-bill allocation has remained unchanged from the previous quarter, and we are taking a prudent stance because liquidity is limited in these instruments.



Sources: Bloomberg, SARB

We saw some corporates, namely MTN and Growthpoint, return to the primary debt capital markets in the last quarter. The auctions were well supported, with both entities getting oversubscribed auction results and pricing clearing at the lower end of price guidance. Local banks issued capital and senior unsecured bonds, receiving strong support and clearing below price guidance. Supply and demand dynamics continue to drive pricing in the debt capital markets, and pricing is slowly getting back to pre-Covid-19 levels. We remain cautious and continue to invest only in instruments that are attractively priced relative to their underlying risk profiles. Capital preservation and liquidity remain our key focus areas for the Fund.

#### Portfolio managers

**Nishan Maharaj, Mauro Longano and Sinovuyo Ndoleni**  
as at 30 June 2021

## IMPORTANT INFORMATION THAT SHOULD BE CONSIDERED BEFORE INVESTING IN THE CORONATION MONEY MARKET FUND

Unit trusts should be considered medium- to long-term investments. The value of units may go down as well as up, and therefore Coronation does not make any guarantees with respect to the protection of capital or returns. The Coronation Money Market fund is not a bank deposit account. The fund has a constant price (of 100 cents). The total return to the investor is made up of interest received and any gain or loss made on any particular instrument. In most cases the return will merely have the effect of increasing or decreasing the daily yield, but in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The yield is calculated by taking the interest and income receivable of all the instruments in the fund divided by the net asset value, expressed as a nominal annual rate. It is provided to give an approximate indication of the achievable yield for an investment made at the reporting date. Actual experience may differ, based on changes in market values, interest rates and changes in costs actually experienced during the investment period. Coronation Management Company (RF) (Pty) Ltd is a Collective Investment Schemes Manager approved by the Financial Sector Conduct Authority in terms of the Collective Investment Schemes Control Act. Portfolio managed by Coronation Asset Management (Pty) (FSP 548) Ltd, an authorised financial services provider. The Management Company reserves the right to close the fund to new investors if we deem it necessary to limit further inflows in order for it to be managed in accordance with its mandate. Unit trusts are allowed to engage in scrip lending and borrowing. Standard Chartered has been appointed as trustees for the fund ([www.sc.com/za](http://www.sc.com/za); 011-2176600). Coronation is a full member of the Association for Savings & Investment SA (ASISA).

## HOW ARE UNITS PRICED AND AT WHICH PRICE WILL MY TRANSACTION BE EXECUTED?

Unit trusts are traded at ruling prices set on every trading day. Fund valuations take place at approximately 15h00 each business day, except at month end when the valuation is performed at approximately 17h00 (JSE market close) and forward pricing is used. Instructions must reach the Management Company before 14h00 (12h00 for the Money Market Fund) to ensure same day value. The payment of withdrawals may be delayed in extraordinary circumstances, when the manager with the consent of the fund trustees deem this to be in the interest of all fund investors. These circumstances may include periods when significant underlying markets suspend trading which will prevent accurate valuation of the instruments held in the fund. When the suspension of trading relates to only certain assets held by the fund, these assets may be side-pocketed. This process allows normal liquidity on the assets that can be valued, but will delay liquidity on the affected portion of the fund. If the fund is faced with excessive withdrawals, the affected withdrawals may be ring-fenced, which is the separation and delayed sale of the assets reflecting the interest of the liquidity seeking investors. It ensures that the sale of a large number of units will not force Coronation to sell the underlying investments in a manner that may have a negative impact on remaining investors of the fund.

## HOW WAS THE PERFORMANCE INFORMATION INCLUDED IN THIS FACT SHEET CALCULATED?

Performance is calculated by Coronation as at the last day of the month for a lump sum investment using Class A NAV prices with income distributions reinvested. All underlying price and distribution data is sourced from Morningstar. Performance figures are quoted after the deduction of all costs (including manager fees and trading costs) incurred within the fund. Note that individual investor performance may differ as a result of the actual investment date, the date of reinvestment of distributions and dividend withholding tax, where applicable. Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

## WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

TER is calculated as a percentage of the average net asset value of the portfolio incurred as charges, levies and fees in the management of the portfolio. The TER charged by any underlying fund held as part of a fund's portfolio is included in the fund expenses portion of the TER, but trading and implementation costs incurred in managing the fund are excluded. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. The 1 year TER is for the 12 months to end of September 2020 (updated annually). The 3 year TER is for a rolling 36-month period to the last quarter end (December, March, June and September).

Transaction costs are a necessary cost in managing a fund and impacts the fund's return. They should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

The Total Investment Charge is the sum of the Total Expense Ratio (TER) and transaction costs.

## ADVICE AND PLATFORM COSTS

Coronation does not provide financial advice. If you appoint an adviser, advice fees are contracted directly between you and the adviser. For more information please contact the relevant platform (Linked Investment Service Provider or Life Assurance Provider).

## WHERE CAN I FIND ADDITIONAL INFORMATION?

Additional information such as daily fund prices, brochures, application forms and a schedule of fund fees and charges is available on our website, [www.coronation.com](http://www.coronation.com)

## IMPORTANT INFORMATION REGARDING TERMS OF USE

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