

Money Market Fund

Fund Factsheet | 31st December 2017

FUND OBJECTIVE

The fund aims to provide return and liquidity through allocation mainly to short-term investments. The fund is relatively low risk and caters for low risk investors

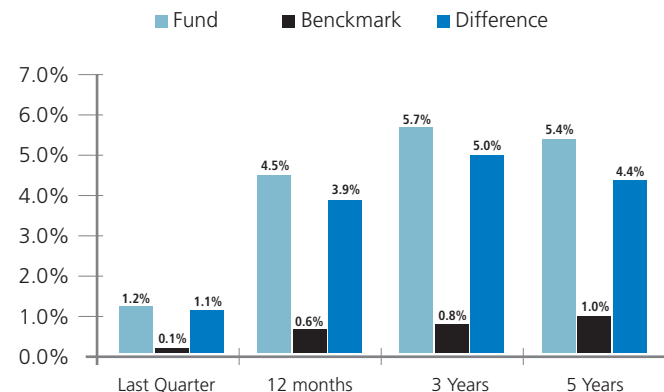
STRATEGY

The Bifm Market fund invests in Call and Fixed deposits and Treasury Bills. We actively manage the portfolio, by seeking yield assets, without compromising the risk and maturity profile of the fund.

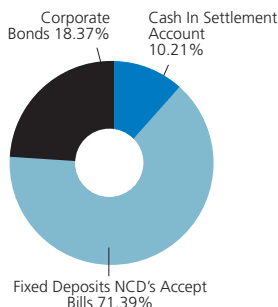
WHY CHOOSE THIS FUND?

This fund is suitable for investors who want relatively high yields but need their funds to remain liquid.

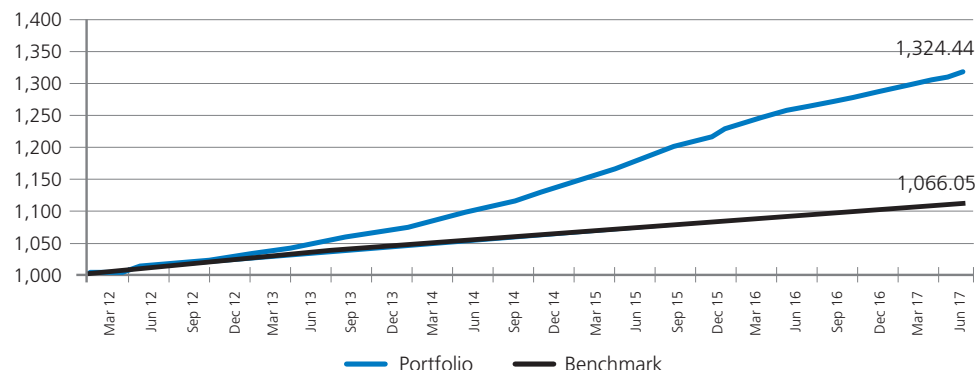
PERFORMANCE AS AT 31 DECEMBER 2017



ASSET ALLOCATION



CUMULATIVE RETURNS SINCE INCEPTION



PERFORMANCE FOR Q4 2017

In the 4th quarter of 2017 (Q4 2017), the BUPUMM LMM fund returned 1.09%, an outperformance of 94 basis points against the benchmark return of 0.15%. The BUPUMM outperformed the benchmark, over the 1 year, 3-year and 5-year periods.

QUICK FACTS

Risk Profile

Low	Low - Med	Med	Med-high	High
●				

Fund Information

Portfolio Manager: Bifm Investments Team
 Launch Date: April 2012
 Minimum Investment: P 1000 lump sum
 P 200 debit order
 Fund Size: BWP1,612,884,160.98

Fees

Initial Fund Fee: 0 %
 Annual Management Fee: 1 %
 Fees are shown excluding VAT

Income Distribution

Income Distribution Dates: Monthly

Contact Details

Trustees and Custodians
 Stanbic Bank Botswana
 Private Bag 00168
 Gaborone

Physical Address
 Bifm Unit Trusts (Pty) Ltd
 Plot 66458, Fairgrounds Office Park
 Gaborone, Botswana

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 Private Bag BR185, Broadhurst
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Collective Investment Undertakings (CIUs) are generally long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to future performance. Unit trusts are traded at ruling prices. Commissions and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Different classes of units apply to these funds and are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from Bifm Unit Trusts (Pty) Limited. Unit trust prices are calculated on a net asset value basis, defined as the total market value of all assets in the unit trust fund including any income accruals and less any permissible deductions (which may without limitation include brokerage fees, VAT, bank charges, audit fees, trustee fees and the annual management fee) from the fund divided by the number of units in issue. Performance figures are based on lump sum investments with income distributions reinvested. The investment objective of the fund shall be compared with the investor's objective, before an investment decision is made by the investor. The Total Expense Ratio (TER) cannot be taken as an indication of fund performance. The current TER cannot be regarded as an indication of the future TER. The fund is managed to comply with the Collective Investment Undertakings Act Cap 56:09 (and shall be amended from time to time). Exposures in excess of the limits will be corrected immediately except where due to market value fluctuations or capital withdrawals in which case they will be corrected within a reasonable time period. Bifm Unit Trusts (Pty) Limited, Company Registration Number: CO2009/2597, is approved by the Non-Bank Financial Institutions Regulatory Authority as a Unit Trust Management Company. Bifm Unit Trusts (Pty) Limited does not provide advice on investments, but does present clients with information on all Bifm Unit Trusts CIU funds. The fund prospectus may be acquired free of charge, from Bifm Unit Trusts (Pty) Ltd.

'The price, which will apply to an instruction received on a Saturday/Sunday or public holiday will be that of the following Monday/trading day'

QUARTERLY COMMENTARY

During the quarter, we saw inflation falling from 3.2% at the beginning of the quarter, to 3.0% in October and 2.9% in November, rebounding to close the year at 3.2%. The fall in inflation in October and November, in our view was largely a reflection of the lower South African inflation as well as a lack of domestic inflationary pressures. As a consequence, on the 24th of October, the Bank of Botswana cut the bank rate by 50 bps to 5.00%. Despite the rate cut, there was an upward shift at the very short end of the yield curve (up to six months) with the 14-day BoBC rate rising from 1.42% in Q3 2017 to 1.47% in Q4 and the 91-day BoBC rate rising from 1.40% to 1.48% over the same period. There was increased demand in the shorter end of the curve in the last quarter of the year as banks increased their liquid assets in anticipation of increased spending levels over the festive season sending short term yields high.

Our view on the medium-term outlook for inflation looks positive, with few inflationary pressures in sight domestically, regionally or globally, thus we do not anticipate any change in interest rates in the near future.

OUTLOOK AND STRATEGY

We expect interest rates to remain low in the near future. Domestic liquidity seems to have stabilised with local banks showing consistency in their pricing for deposits, however short-term opportunities do arise on a case by case basis within the local banking industry sparked by the different liquidity needs of the banks.

TOTAL EXPENDITURE RATIO (T.E.R.) – 1.27%

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