

IJG MONEY MARKET FUND A1

MINIMUM DISCLOSURE DOCUMENT

INVESTMENT AND RETURN OBJECTIVE

The Fund aims to achieve returns above the benchmark (StFi Call), while minimising the risk of any under-performance. At the time, it aims to maintain capital stability and liquidity. The Fund is Regulation 13 compliant and at least 45% is invested in Namibian assets.

INVESTMENT PROCESS

The Fund invests in cash and high-quality capital market instruments. The Fund is structured to minimise the risk of not meeting the benchmark. Returns achieved above the benchmark are used in specialist strategies designed to enhance yield further.

WHO SHOULD INVEST

Investors seeking a liquid, low risk money market offering, with enhanced yields. This Fund is suitable to investors with a short-term investment horizon.

RISK INDICATOR DEFINITION

These portfolios have no equity exposure, resulting in higher interest yields and stable capital values. These portfolios typically target returns in the region of 1% – 2% above inflation before tax over the long term.



31 AUGUST 2022

ABOUT THE FUND

Fund manager:

Prescient Interest Bearing Team

Fund classification:

Money Market NAD/ZAR

Benchmark:

STeFI Call

JSE Code:

IGMMA1

ISIN:

ZAE000307153

Fund Size:

NAD218.3 m

Inception date:

01 February 2022

Minimum Investment:

N\$10 000
N\$1000 per month

Income Distribution (Monthly):

31 August 2022 - 0.50 cpu

Initial Fee:

0.00%

Annual management fee:

0.50%

Fact sheet fee class:

A1

Fee breakdown:

Please note the Total Expense Ratio and Transaction Costs cannot be determined accurately because of the short life span of the Financial Product and the funds TER will be available after one year.

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RISK INDICATOR



PERFORMANCE (%)		CUMULATIVE PERFORMANCE	
PERFORMANCE (%)		ASSET ALLOCATION	
	Fund	Benchmark	
Since incep.	2.78	2.54	
Highest rolling 1 year	-	-	
Lowest rolling 1 year	-	-	
<i>*All performance fees are net of fees.</i>			
RISK AND FUND STATS		ASSET ALLOCATION	
Since inception (p.a.)	Fund		
Average Duration	0.45yrs		
Forward Yield (gross)	7.28%		
KEY HOLDINGS		DURATION (%)	
	% of Fund		% of Fund
NAM TB 0% 181122	4.5	1 - 30 days	36.78
NAM TB 0% 190523	4.4	30 - 60 days	15.87
Absa NCD 7.175% 230623	4.2	60 - 90 days	5.07
Nedbank Namibia NCD 5.825% 221222	3.8	90 - 180 days	14.07
Investec RSA CLN IVC186 7.4% 211222	3.7	180 - 270 days	5.19
Bank of Windhoek FRN Jb3+110 240325	3.7	270 - 365 days	11.57
Bank Windhoek FRN JB3+105 250324	3.7	365+ days	8.23
Bank Windhoek FRN JB3+100 250923	3.7		
Nedbank Namibia NCD 7.575% 140723	3.7		
Nedbank NCD 6.45% 290323	2.8		
Total	38.2		

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FUND MONTHLY RETURNS

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YTD
2022			0.31%	0.47%	0.43%	0.47%	0.50%	0.50%					

FUND COMMENTARY

Local inflation spiked to 7.8% in July from 7.4% in June with food & transportation costs remaining the main drivers of the upward move, which some estimate to be the peak to inflation. The latest release is the third consecutive print whereby we saw inflation breaching the upper band of the South African Reserve Bank's (SARB) inflation target range of 3% to 6%.

The two-year point of the money market FRA curve rallied over July by close to 50bps, but the front end moved higher, indicating the market pricing in more front-loaded hikes to come.

However, in August we seen the two-year point of the FRA curve widening by 23bps but still most of the steepness in the front end. The 12-month NCD rate ticked up by nearly 18bps and 3-month jibar increased by 4 basis points to close at 5.767.

Our funds are still well positioned to take full advantage of the hiking cycle with our step rate notes resetting at levels significantly above bank FRN spreads. We continue to add duration where we see value on the curve. This coupled with quality credit continues to outperform benchmark.

The Fund was ahead its benchmark for the month and remains ahead on a 12 Month and YTD basis. The fixed rate exposure adding to our above benchmark returns.

Disclaimer

Collective Investment Schemes in Securities (CIS) should be considered as medium to long-term investments. The value may go up as well as down and past performance is not necessarily a guide to future performance. CIS's are traded at the ruling price and can engage in scrip lending and borrowing. The collective investment scheme may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. A schedule of fees, charges and maximum commissions is available on request from the Manager. There is no guarantee in respect of capital or returns in a portfolio. A CIS may be closed to new investors in order for it to be managed more efficiently in accordance with its mandate. CIS prices are calculated on a net asset basis, which is the total value of all the assets in the portfolio including any income accruals and less any permissible deductions (brokerage, STT, VAT, auditor's fees, bank charges, trustee and custodian fees and the annual management fee) from the portfolio divided by the number of participatory interests (units) in issue. Forward pricing is used. The Fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value (NAV) of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.