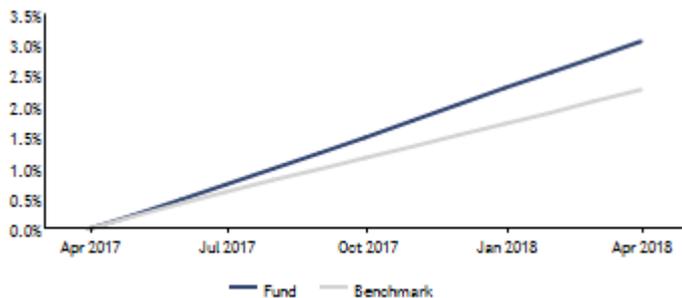


**Objective**

The primary objective of this Fund is to provide an attractive level of current income while preserving capital. The Fund may invest in Botswana domiciled money market instruments provided that at least 80% of the fund must be invested in securities with a maturity of less than a year and that the weighted average term of the portfolio not exceed ninety days. The Fund aims to outperform regular fixed deposits and call accounts over time.

**Performance**

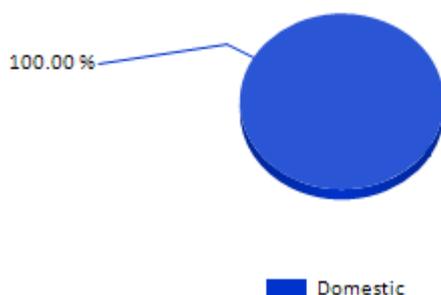
Performance figures are net of management fees and based on the daily yields, which are geometrically linked on a daily basis.

**Cumulative Performance**

**Annualised Performance**

	1 year	2 year	3 years
<b>Fund</b>	3.05 %	2.74 %	3.29 %
<b>Benchmark</b>	2.27 %	2.37 %	2.47 %
<b>Excess return</b>	0.79 %	0.36 %	0.82 %

**Risk Std. dev annualised**

<b>Fund</b>	0.04 %	0.31 %
<b>Benchmark</b>	0.04 %	0.06 %

**Holdings**
**Geographical Allocation**

**Risk**

**Fund Details**

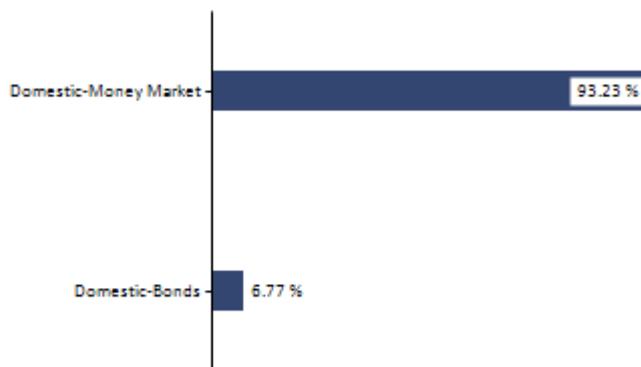
<b>Portfolio Manager</b>	Nlume Modise, Lorato Morule
<b>Fund Type</b>	Domestic - Money Market
<b>Currency</b>	Botswana Pula
<b>Benchmark</b>	Average Overnight Call + 2% <sup>1</sup>
<b>Inception Date</b>	31 July 2002
<b>Fund Size</b>	BWP 1 010 989 969
<b>NAV</b>	BWP 1.00
<b>NAV Inception</b>	BWP 1
<b>Minimum Lump Sum Investment</b>	BWP 10 000
<b>Initial Fees</b>	0.00%
<b>Annual Management Fees</b>	1.00%
<b>Income Distribution</b>	Monthly
<b>Fund Domicile</b>	Botswana

**Top 10 Holdings**

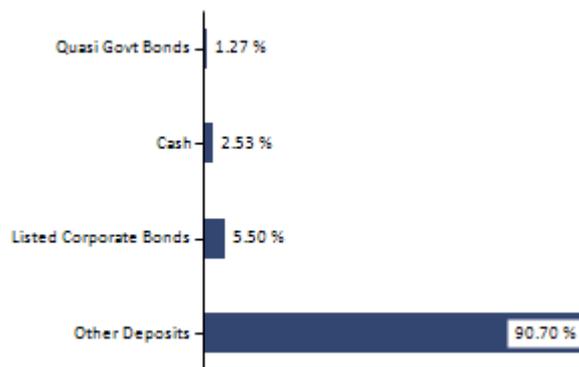
	Weight (%)
50M STC	4.98%
48M ABC	4.78%
47M BBS	4.77%
44M FNB	4.48%
41M STC	4.13%
40M BAR	4.04%
40M SCB	4.03%
37M STC	3.72%
35M ABC	3.57%
31M BG	3.09%

<sup>1</sup> Sample banks are Barclays Bank of Botswana Limited, Standard Chartered Bank Botswana Limited, First National Bank of Botswana Limited and Stanbic Botswana Limited

#### Asset Allocation



#### Sector Allocation



### Overview

The fund was ahead of the benchmark by 44bps over the quarter. Exposure to credit and yield curve positioning were the reasons for the outperformance.

Following the withdrawal of the Petroleum Fuel Levy funds from the financial institutions to the central bank in December, market liquidity continued to fluctuate during the quarter leading to improved rate offers from the commercial banks especially on the short end of the curve. As such, our nominal yield improved from 4.18% in December to 4.21%.

We are still of the view that additional easing of the monetary policy stance is plausible mainly because of the continuing benign inflation environment. However, we expect this to be the bottom of the cycle. The benchmark rate cut will be positive for bonds but negative for BOBC linked and money market instruments. As such, we anticipate the yield curve to slightly shift downwards in the short term and to tick up in the medium to long term in line with our interest rate outlook.

### Strategy

The Fund invests in high quality, short-term financing instruments and deposits providing investors with access to the wholesale money market, usually the exclusive preserve of the banking sector. This Fund is highly liquid, cost effective and safe, making it a viable alternative to bank deposits.

### Contact us

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