Minimum Disclosure Document

(Fund Fact Sheet)

Sanlam Investment Management Money Market Fund

April 2018

Fund Objective

This fund aims to deliver a higher level of income than fixed deposits and call deposits over time. Capital preservation is of primary importance and the fund offers immediate liquidity. The fund has no offshore exposure.

Fund Strategy

The fund invests in a range of money market instruments which include negotiable certificates of deposit , bankers' acceptances, debentures, treasury bills and call accounts. The fund may only invest in money market instruments with a maturity of less than 13 months. While capital losses are unlikely, they can occur if, for example one of the issuers of an instrument held by the fund defaults. In this event losses will be borne by the fund and its investors.

Tax Free Unit Trust

This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R33 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are taxable.

Fund Information

ASISA Fund Classification	SA - Interest Bearing - Money Market
Risk profile	Ultra Conservative
Benchmark	STeFI Composite Index
Portfolio launch date	02 May 1997
Fee class launch date	1 Dec 2011
Minimum investment	Lump sum: R20 000 | Monthly: R 1 000
Portfolio size	R9 810.2 million
Yield	7.33%
Last twelve distributions	30 Apr 2018: 0.58 cents per unit 31 Mar 2018: 0.60 cents per unit 28 Feb 2018: 0.56 cents per unit 31 Jan 2018: 0.60 cents per unit 31 Dec 2017: 0.60 cents per unit 30 Nov 2017: 0.57 cents per unit 31 Oct 2017: 0.60 cents per unit 30 Sep 2017: 0.61 cents per unit 31 Aug 2017: 0.63 cents per unit 31 Jul 2017: 0.63 cents per unit 30 Jun 2017: 0.62 cents per unit 31 May 2017: 0.63 cents per unit
Income decl. dates	Last day of each month
Income price dates	1st working day of the following month
Valuation time of fund	15:00
Transaction cut off time	13:00
Daily price information	Local newspaper and www.sanlamunittrusts.co.za
Repurchase period	3 working days

Fees (Incl. VAT)

	Retail Class (%)
Advice initial fee (max.)	0.34
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.57
Total Expense Ratio (TER)	0.56

Income funds derive their income from interest-bearing instruments as defined. The yield is a current yield and is calculated daily.

Total Expense Ratio (TER) | PERIOD: 01 April 2015 to 31 March 2018
Total Expense Ratio (TER) | 0.56% of the value of the Financial Product was incurred as expenses relating to the administration of the Financial Product. 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.
Transaction Cost (TC) | 0.01% of the value of the Financial Product was incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction Costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER.
Total Investment Charges (TER + TC) | 0.57% of the value of the Financial Product was incurred as costs relating to the investment of the Financial Product.

The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Top 10 Holdings

Securities	% of Portfolio
Republic of South Africa TB 7.56% 11042018	3.30
Nedbank F/R 27062018	2.28
ABSA F/R 12092018	2.17
FirstRand NCD 7.6% 12092018	2.16
Republic of South Africa TB 7.6167% 04042018	1.97
NEDBANK F/R 22052018	1.76
SIM Capital Markets F/R 08012019	1.59
FirstRand NCD 7.725% 01082018	1.56
ABSA F/R 09052018	1.52
Imperial SNR F/R 16042018	1.52

Top 10 Holdings as at 31 Mar 2018

Performance (Annualised) as at 30 Apr 2018 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	7.50	7.43
3 year	7.30	7.23
5 year	6.65	6.64
10 year	6.91	7.01

Annualised return is the weighted average compound growth rate over the period measured.

Performance (Cumulative) as at 30 Apr 2018 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	7.50	7.43
3 year	23.55	23.31
5 year	37.96	37.89
10 year	95.15	96.98

Cumulative return is aggregate return of the portfolio for a specified period

Risk statistics: 3 years to 30 Apr 2018

Std Deviation (Ann)	0.14
Sharpe Ratio (Ann)	N/A

Actual highest and lowest annual returns*

Highest Annual %	11.78
Lowest Annual %	5.21

The total return to the investor is made up of interest received and any gain or loss made on any particular instrument and in most cases the return will merely have the effect of increasing or decreasing the daily yield, but that in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Seven day rolling yield is the interest earned by the fund during a 7 day period minus any management fees incurred during those seven days. Money market portfolios are not a bank account.

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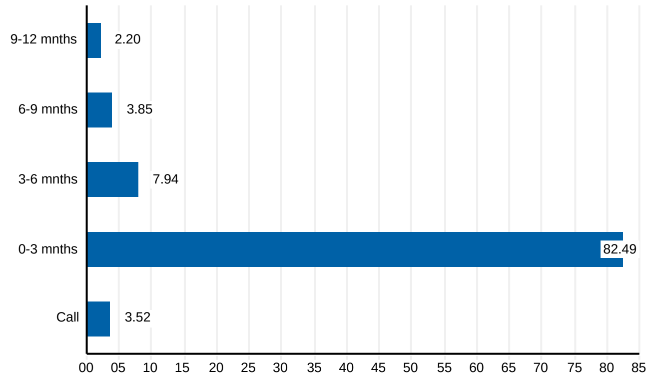
Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Mar 2018

Market review

The first quarter of the year was quite an eventful one, dominated mainly by positive outcomes, which were spurred on by the 'Cyril Ramaphosa election' impetus.

In January, Viceroy Research released a research report on Capitec Bank, a microfinance provider to a majority low-income demographic. They observed that Capitec outperforms all major commercial banks globally, including competing high-risk lenders. According to them, Capitec is understating loan write-offs. Initially the share price declined substantially (approximately 25%), but subsequent to receiving support from the South African Reserve Bank (SARB) and National Treasury, most losses were recovered.

Early in February, President Jacob Zuma continued to cling to his position. This forced the ANC National Executive Committee to potentially recall him by means of a vote of no confidence. Mid-month, after much resistance, Zuma resigned, avoiding having to face a vote of no confidence. This was a good result for the ANC, which would allow Deputy President Ramaphosa to deliver the State of the Nation Address (SONA) and it also provided an opportunity to strengthen the Budget.

Key outcomes from the SONA were the initiatives to tackle corruption, narrower cooperation between business, government and state-owned enterprises (SOEs), and job creation (which includes a national minimum wage from May 2018). Mining is a very important part of the economy and Ramaphosa said that the Mining Charter must be refined in such a way that it both accelerates transformation and grows the sector.

Next up was the Budget Speech, where it was decided to hike VAT by 1% from 14% to 15%. The VAT increase will contribute around R23 billion of an additional R36 billion revenue collection. The remainder will come from a combination of personal income tax, higher 'sin taxes' and fuel levies. The free university education introduced by Zuma limits the reduction in overall expenditures and upside spending risks remain in the form of the current public sector wage negotiations and further possible demands for bailouts of SOEs. Consequently, the fiscal consolidation path remains weak, with Treasury projecting that the budget deficit will narrow from 4.3% of GDP to 3.5% by 2020/21 and the debt-to-GDP ratio will peak at 56% of GDP.

Towards the end of February, President Ramaphosa initiated the much-anticipated Cabinet changes. He removed several ministers who were tainted by allegations of state capture, but he also accommodated some Zuma loyalists, while appointing very good people to key economic policies. Former Finance Minister Nhlanhla Nene replaced Malusi Gigaba and Pravin Gordhan was given the tough post of Minister of Public Enterprises. ANC Deputy President David Mabuza was appointed as Deputy President of the country.

In March, Moody's left SA's sovereign credit rating unchanged at Baa3 (lowest investment-grade rating), but somewhat surprisingly changed the rating outlook from negative to positive. They stated three main factors for leaving the rating unchanged. First, it looks like there has been a halt or a reversal to the deterioration of SA's institutional strength. Secondly, GDP growth prospects picked up and thirdly, that the 2018 fiscal budget is very credible. Furthermore, they stated that the outlook change reflects an even balance between upside and downside risks, with 'the new administration facing equally significant opportunities and challenges'.

Up next, following the rating decision by Moody's, was the SARB's Monetary Policy Committee meeting. The SARB cut interest rates by 25 basis points (bps) in a finely balanced 4:3 vote, providing further support for the economy. They revised their inflation forecasts down moderately, citing that the increase in consumer price inflation (CPI) by VAT and excise taxes are offset by the stronger rand. They also stated that Q1 2018 likely represents the lowest point for CPI. The SARB now projects CPI to rise above 5% in Q3 2018 and stay above this level until end 2020, peaking at 5.5% in Q1 2019. With regards to growth, they took a conservative stance, increasing their 2018 forecast to 1.7% from 1.4% and lowering 2019 to 1.5% from 1.6%. This growth forecast is in contrast with the Treasury and consensus forecast, considering the recent big boost to business and consumer confidence, which the SARB acknowledges. Until end 2020 they still forecast three 25-bps rate hikes, but at a slower pace than previously indicated.

In the US, the Federal Reserve continued their 'rate normalisation' by hiking interest rates by 25 bps. During the quarter, President Donald Trump imposed tariffs on solar panels, washing machines, steel and aluminium. This was followed with tariffs of $50 billion on Chinese goods, which sparked retaliation by China. The US stock market had a correction in February and continued to drop in March, with technology stocks contributing the most.

GDP growth in Q4 2017 came in at 3.1% quarter-on-quarter, beating expectations of 1.8%. SA's unemployment rate decreased slightly to 26.7% from 27.7%. During the quarter, CPI year-on-year (y/y) improved from 4.7% to 4% and PPI y/y improved to 4.2% from 5.2%. The rand strengthened to R11.82 to the US dollar from R12.39. The 10-year SA government bond strengthened to 8.15% from 8.78%. The trade balance decreased to R0.43 billion from R15.31 billion.

The money market yield curve shifted downwards because of the 25-bps repo rate cut, but it also steepened a little. With CPI most likely bottoming in Q1 2018 and the VAT hike being inflationary over the next year, we expect a very shallow rate cutting cycle.

What SIM did

All maturities were invested across the money market yield curve, exploiting the term premium. Quality corporate credit, which traded above the 3-month JIBAR rates, was added to the portfolio. We preferred a combination of floating rate notes (FRNs) in the portfolio together with some fixed-rate negotiable certificates of deposits (NCDs). The combination of corporate credit, high-yielding NCDs and FRNs will enhance portfolio returns.

SIM strategy

Our preferred investments would be a combination of fixed-rate notes, floating rate notes and quality corporate credit to enhance returns in the portfolio. Currently we prefer floating rate instruments above fixed-rate instruments.

Date	1 Day	1 Month	3 Months	6 Months	12 Months
31-Dec-17	6.53	6.91	7.16	7.60	7.91
31-Mar-18	6.32	6.63	6.87	7.39	7.75
Change (Bps)	**-21.0**	**-27.5**	**-29.1**	**-20.8**	**-15.8**

Portfolio Manager(s)

Donovan van den Heever

B. Sc (Hons) (Math & Comp.Sc.); CFA

Johan Verwey

M.Sc; MA (Organisational Leadership); CFA

Management of Investments

The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

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Risk Profile (Ultra-conservative)

An ultra-conservative portfolio caters for an extremely low risk tolerance, and is designed for minimum capital fluctuations and volatility. It carries a short time-frame for investment. There are no growth assets in this portfolio and it is a cash-based investment. The ultra-conservative portfolio aims to yield returns that are level with inflation. Capital protection is of prime importance.

Additional Information

All reasonable steps have been taken to ensure the information on this MDD is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Independent professional financial advice should always be sought before making an investment decision.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Sanlam Collective Investments (RF) (Pty) Ltd is a registered and approved Manager in Collective Investment Schemes in Securities. Collective investment schemes are generally medium- to long-term investments. Past performance is not necessarily a guide to future performance, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager on request. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Forward pricing is used. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Performance is calculated for the portfolio and the individual investor performance may differ as a result of initial fees, actual investment date, date of reinvestment and dividend withholding tax. The manager has the right to close the portfolio to new investors in order to manager it more efficiently in accordance with its mandate. The performance of the portfolio depends on the underlying assets and variable market factors. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result is a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. A money market portfolio is not a bank deposit account. The price is targeted at a constant value. The total return to the investor is made up of interest received and any gain or loss made on any particular instrument and in most cases the return will merely have the effect of increasing or decreasing the daily yield, but that in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures and in such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Seven day rolling yield is calculated by taking into account the interest earned by the fund during a 7 day period minus any management fees incurred during those seven days.

Sources of Performance and Risk Data: Morningstar Direct, INET BFA and Bloomberg.

The risk free asset assumed for the calculation of Sharpe ratios: STEFI Composite Index.

The highest and lowest 12-month returns are based on a 12-month rolling period over 10 years or since inception where the performance history does not exist for 10 years.

Obtain a personalised cost estimate before investing by visiting www.sanlamunittrustsmdd.co.za and using our Effective Annual Cost (EAC) calculator. Alternatively, contact us at 0860 100 266.

Trustee Information

Standard Bank of South Africa Ltd

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Glossary of Terms

Annualised total returns
Annualised return is the weighted average compound growth rate over the period measured.

Call deposits
Call deposits or call deposit accounts allow investors to deposit and withdraw funds in several currencies, which commonly include the U.S. dollar, the euro and the British pound. This flexibility reduces investors' exposure to foreign exchange expenses and currency risk.

Capital preservation
This is an investment strategy where the primary goal is to preserve (protect) capital and prevent losses in a portfolio. Preserving capital is a priority for retirees and those approaching retirement, since they may be relying on their investments to generate income to cover their living expenses, and have limited time to recoup losses if markets experience a downturn.

Fixed deposits
A fixed deposit or term deposit is an amount of money held at a financial institution for a fixed amount of time. It pays higher interest than a savings account but imposes conditions on the amount, frequency, and/or period of withdrawals.

LISP (Linked Investment Service Provider)
A Linked Investment Service Provider is a financial institution which packages, distributes and administers a broad range of unit trust based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Money market instruments
A money market instrument is a low risk, highly liquid, short-term (one year or less) debt instrument, issued by financial institutions or governments, that tend to have lower returns than high-risk investments.

Regulation 28
Regulation 28 of the Pension Funds Act sets out prudent investment limits on certain asset classes in investment funds. It applies specifically to investments in Retirement Annuities and Preservation Funds. The allowed maximum exposures to certain asset classes is: 75% for equities; 25% for property; 30% for foreign (offshore) and 10% African assets.

Sharpe ratio
The Sharpe ratio measures risk-adjusted performance of an investment or portfolio. It measures the amount of risk associated with the returns generated by the portfolio and indicates whether a portfolio's returns are due to excessive risk or not. The greater a portfolio's Sharpe ratio, the better its risk-adjusted performance has been (i.e. a higher return with a contained risk profile, where the portfolio manager is not taking excessive risk to achieve those returns).

Standard deviation
Standard deviation (also called monthly volatility) is a measure of how much returns on an investment change from month to month. It is typically used by investors to gauge the amount of expected volatility in an investment.

Total Expense Ratio (TER)
This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

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