

## Who are the investment managers?

STANLIB Asset Management (Pty) Ltd, FSP 719, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act 2002, manage the investments of the fund.



**Ansie van Rensburg**  
BCom (Hons)(Economics)  
Head of Money Market

Ansie is head of the Money Market at STANLIB Asset Management. She joined STANLIB's forerunner Standard Corporate and Merchant Bank in 1991, and today is a member of the investment strategy team with specific responsibility for investment of funds in the fixed interest and money markets. After obtaining her BCom with honours in economics, Ansie served articles with Theron van der Poel. She first entered the industry as a management trainee and later money market trader with Volkskas Merchant Bank. She was also involved in the founding of money broking operation CM Interbank.



**Eulali Gouws**  
BCom (Hons)(Accounting), CA (SA), CFA  
Portfolio manager

Eulali is a member of STANLIB's multi-award-winning Fixed Income team, which is one of the largest in South Africa. She is a money market portfolio manager as well as a qualified money market, bond and foreign exchange dealer. She also assists with STANLIB's offshore funds. Eulali started her financial services career at KPMG where she was part of the financial engineering group. As part of this team she specialised in the modelling of financial instruments as well as various treasury and market risk operations. After moving to Standard Bank, she joined STANLIB in September 2015. Eulali is a qualified chartered accountant and a CFA charter holder.

## Fund review

The STANLIB Money Market Fund ended the quarter with R23 billion under management, in line with the previous quarter. Cash as an asset class delivered a stable performance for the quarter, giving investors an alternative to bank deposits, as banks' demand for short-dated cash continues to wane. The weighted average duration of the fund remained below benchmark at 46 days. As rates are now expected to be higher for longer, we are investing in a combination of fixed and floating rate instruments to optimise the yield of the fund, given the current economic environment.

## Market overview

The South African Reserve Bank (SARB)'s Monetary Policy Committee (MPC) kept the repo rate stable at 8.25% at its January and March meetings. At both meetings the decision was unanimous. An upside risk to inflation resulted in a hawkish tone from the MPC at the March meeting. Consumer inflation rose more than expected in February, due to large increases in the cost of medical insurance and higher fuel prices.

Increases in administered costs like medical aid, energy and water cannot be controlled by higher interest rates. Arguably, the SARB may have to accept that anchoring inflation around its 4.5% target is impossible and find a way to cut interest rates, or risk triggering a recession.

The SARB remains cautious about inflation expectations. It recognises that the ability to absorb unforeseen shocks may be limited if these expectations persist at elevated levels. Upside risks to food prices from recent hot and dry weather were highlighted at the latest MPC meeting, while the weaker rand poses further risks, particularly as expectations for rate cuts in advanced economies are being pushed further out.

While the SARB, in principle, does not have to wait for the global banks to move on interest rates, the domestic inflation outlook needs to improve markedly to make it embark on a cutting cycle before the Fed does. The global "higher for longer" narrative increases the risk that the first repo rate cut could be postponed to later in the year, especially if local inflation expectations remain sticky.

The SARB's growth expectations are unchanged for the year. GDP growth is seen at 1.2% in 2024. Revisions were made to the SARB's 2024 inflation projection: it now expects inflation to be 5.1% for 2024 from 5% previously.

The forward rate agreement (FRA) curve is pricing in the "higher for longer" view as well, with a slight chance of the first rate cut for the year only happening in September and a higher probability that the first cut might now only happen in November. Currently only a 25bps cut is priced in for the rest of 2024.

South African short-term rates traded sideways for the quarter, with three-month JIBAR moving down five bps from 8.4% to 8.35%. The 12-month JIBAR rate traded flat at 9.13% throughout the quarter. Demand for longer-dated Treasury Bills picked up, which pushed the 12-month Treasury Bill yield to 8.68% from 9.18% previously. The three-month Treasury Bill traded sideways, ending at 8.66% from 8.62% in December.

## Looking ahead

We continue to expect that the SARB will only start its rate cutting cycle in September, but uncertainty remains high. The SARB's main focus remains on returning CPI inflation to the midpoint of the inflation target at 4.5% and maintaining it around that level, before starting to cut rates. If further upside risks to the inflation outlook materialise, and food prices may be the biggest risk, rate cutting could start later than we expect.

The commentary gives the views of the portfolio manager at the time of writing. Any forecasts or commentary included in this document are not guaranteed to occur.

# STANLIB Money Market Fund

Quarterly update at 31 March 2024

# STANLIB

## Change in allocation of the fund over the quarter

Asset type	Q1 2024	Q4 2023	Change
Domestic Cash	0.82	1.06	-0.24
Domestic Fixed Interest Corp	6.87	9.47	-2.60
Domestic Money Market	92.31	89.47	2.84

The portfolio adhered to its portfolio objective over the quarter.

## Fund classes

Class	Type	TER	Price (cpu)	Units	NAV (Rand)
R	Retail	0.58	100.00	20,474,512,815.00	20,474,512,820.00
B1	Retail	0.58	100.00	409,565,218.70	409,565,218.70

All Price, Units and NAV data as at 31 March 2024.

Units - amount of participatory interests (units) in issue in relevant class.

TER - 1 Year Total Expense Ratio (%) including VAT as at 31/12/2023. The Total Expense ratio (TER) shows the charges, levies and fees relating to the management of the portfolio and is expressed as a percentage of the average net asset value of the portfolio, calculated over the period shown and annualised to the most recently completed quarter. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER should not be regarded as an indication of future TERs.

## Disclosures

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending.

The STANLIB Money Market Fund is a portfolio of the STANLIB Collective Investment Scheme (the Scheme).

The manager of the Scheme is STANLIB Collective Investments (RF) (Pty) Limited (the Manager). The Manager is authorised in terms of the Collective Investment Schemes Control Act, No. 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. Liberty is a full member of the Association for Savings and Investments of South Africa (ASISA). The Manager is a member of the Liberty Group of Companies. The manager has a right to close a portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate. The Manager does not provide any guarantee either with respect to the capital or the return of a CIS portfolio. A schedule of fees and charges and maximum commissions is available on request from the Manager.

The trustee of the Scheme is Standard Chartered Bank.

The investments of this portfolio are managed, on behalf of the Manager, by STANLIB Asset Management (Pty) Ltd, an authorised financial services provider (FSP), FSP No. 719, under the Financial Advisory and Intermediary Services Act (FAIS), Act No. 37 of 2002.

Prices are calculated and published on each working day, these prices are available on the Manager's website ([www.stanlib.com](http://www.stanlib.com)) and in South African printed news media. This portfolio is valued at 15h00. Forward pricing is used. Investments and repurchases will receive the price of the same day if received prior to 12h00.

This portfolio is a Money Market portfolio. A Money Market portfolio is not a bank deposit account. The price of a participatory interest 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, however, in the case of abnormal losses it can have the effect of reducing the capital value of the portfolio. The yield (if shown) is a current 7-day average effective yield calculated daily. Excessive withdrawals from the portfolio could place the portfolio under liquidity pressures and, under such circumstances, a process of rein-fencing of withdrawal instructions and managed pay-outs over time may be followed.

All performance returns and ranking figures quoted are shown in ZAR and are based on data sourced from Morningstar or Statpro and are as at 31 March 2024.

Annualised return figures are the compound annualised growth rate (CAGR) calculated from the cumulative return for the period being measured. These annualised returns provide an indication of the annual return achieved over the period had an investment been held for the entire period. Actual annual figures are available on request from the Manager.

Portfolio performance figures are calculated for the relevant class of the portfolio, for a lump sum investment, on a NAV-NAV basis, with income reinvested on the ex-dividend date. Individual investor performance may differ due to initial fees, actual investment date, date of reinvestment of income and dividend withholding tax. Portfolio performance accounts for all costs that contribute to the calculation of the cost ratios quoted, all returns quoted are after these costs have been accounted for.

Additional information about this product including, but not limited to, brochures, application forms and annual or quarterly reports, can be obtained free of charge, from the Manager and from the Manager's website ([www.stanlib.com](http://www.stanlib.com)).

## Contact details

### Manager

STANLIB Collective Investments (RF) (Pty) Limited  
Reg. No. 1969/003468/07  
17 Melrose Boulevard, Melrose Arch, 2196  
Telephone: 0860 123 003  
Email: [contact@stanlib.com](mailto:contact@stanlib.com)  
Website: [www.stanlib.com](http://www.stanlib.com)

### Trustee

Standard Chartered Bank  
Reg. No. 2003/020177/10  
2nd Floor, 115 West Street, Sandton, 2196  
Telephone: +27 (0)11 217 6600

### Investment Manager

STANLIB Asset Management (Pty) Ltd  
An authorised financial services provider, FSP No. 719  
Reg. No. 1969/002753/07  
17 Melrose Boulevard, Melrose Arch, 2196  
Telephone: +27 (0)11 448 6000  
Website: [www.stanlib.com](http://www.stanlib.com)