

COMMUNITY GROWTH MONEY MARKET FUND

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Portfolio Manager - Old Mutual Investment Group



COMMENTARY – DECEMBER 2011

The last quarter of 2011 was characterised by continued volatility in currency markets and turmoil in the Eurozone area, while domestic market expectations of further rate cuts fluctuate with the various data releases.

Rates remained flat in the three-month area with some volatility seen during the quarter at various points along the yield curve. The yield curve steepened during the last quarter with the 12-month rates ending at the 6.05 level from 5.775 at the beginning of the quarter, as the South African Reserve Bank (SARB)'s Monetary Policy Committee left rates unchanged contrary to market expectations.

Maturities in the funds were predominantly used to increase the exposure to the two-to four-month area of the yield curve with some nibbling in the 12-month area.

OUTLOOK

Our strategy to increase exposure to single-name credits continues. Yield is, however, very difficult to find in the money market space as credit spreads have compressed considerably in both single-name credits and the conduit market while the demand for high-yielding assets continues.

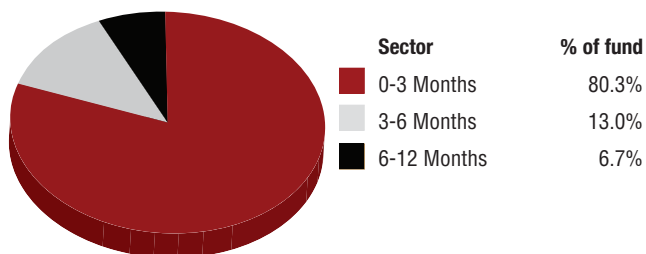
RISK FACTOR

This is CGF's lowest risk fund. The fund is exposed to lower risk due to the short-term nature of the assets held in the portfolio, which substantially reduces the fund's exposure to price fluctuations and interest rate risk. This fund does not offer guarantees.

INVESTMENT AIM

The fund seeks to maximise interest income and maintains a high level of liquidity. The fund gives investors exposure to above-average interest rates.

PORTFOLIO COMPOSITION as at 31 December 2011



PAST PERFORMANCE

	Fund	Fund Benchmark	Category Rankings
1 year	5.4	5.1	25/25
3 years	7.2	6.7	8/23
5 years	8.6	7.9	8/19
7 Years	8.2	7.6	7/18

Figures as at 31 December 2011, based on lump sum investment excluding initial charges (NAV-NAV prices). All fund and benchmark returns are net of fees. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Sources: Fund Returns – Morningstar as at 31 December 2011; Fund Benchmark Returns – Old Mutual Investment Group's Internal Performance System as at 31 December 2011.

Fund Category	Domestic - Fixed Interest - Money Market
Fund Benchmark	Alexander Forbes Composite Short-Term Fixed Interest Index (STeFI)
Launch Date	1 August 2002
Net Asset Value	R18.12 million (total market value of assets + net income)
Dealing Price	NAV
Distributions	Declared monthly
	Monthly for the last 12 months
	31/12/2011 5.24c per unit
	31/11/2011 0.43c per unit
	30/11/2011 0.42c per unit
	31/10/2011 0.44c per unit
	30/09/2011 0.43c per unit
	31/08/2011 0.47c per unit
	31/07/2011 0.42c per unit
	30/06/2011 0.43c per unit
	31/05/2011 0.46c per unit
	31/04/2011 0.42c per unit
	31/03/2011 0.44c per unit
	28/02/2011 0.41c per unit
	31/01/2011 0.47c per unit
Minimum Investment	Lump sum - R5 000. Monthly debit order - R500
Initial Charge	Upfront charge: 0%
Service Fee	0.57% p.a. (calculated on the market value of the fund's assets and deducted from the portfolio monthly). Additional administrative charges incurred by the Management Company are deducted from the fund's portfolio.
Unit Price (cents/unit)	Buy and sell: 100.00c
Total Expense Ratio (TER)*	0.63% (Annualised)
Fund Code	CGMF

*From April 2007, the unit trust industry introduced a new measure called Total Expense Ratio (TER) to evaluate the effect of costs on an investment. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that was incurred as charges, levies and fees related to the management of the portfolio.

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STATUTORY INFORMATION: Collective Investment Schemes in Securities (Unit trusts) are generally medium to long-term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter-term fluctuations as your investment moves in line with markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts may engage in scrip lending and may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. There is no upfront charge. An annual service fee of 0.57% is calculated on the market value of the fund's assets (excluding income and permissible deductions) and deducted from the portfolio on a monthly basis. A schedule of fees and charges and maximum commissions is available from the company/intermediary. Unit trust prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accrual and less any permissible deductions from the portfolio divided by the number of units in issue. Permissible deductions may include compulsory and bank charges, brokerage, marketable securities tax, other taxes and levies, custodian and trustees' fees and audit fees. Each fund's total expense ratio (TER) reflects the percentage of the average Net Asset Value of each portfolio that were incurred as charges, levies and fees related to the management of the portfolio. A higher TER ratio 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 TER's. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis). Instructions must reach Community Growth Management Company before 13h00 for the Community Growth Money Market Fund to ensure same day value. The Community Growth Money Market Fund unit price is static and interest is declared daily at 13h00 and paid monthly. While a constant price is maintained the investment capital is not guaranteed.

Community Growth Management Company is a member of the Association of Collective Investments, SA. Trustees: The Standard Bank of South Africa Limited, PO Box 54, Cape Town, 8000.

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COMPLAINTS: Write to our Client Services Manager at the above address or for further information call 0860 103 180. Compliance Officer: (021) 509 2570