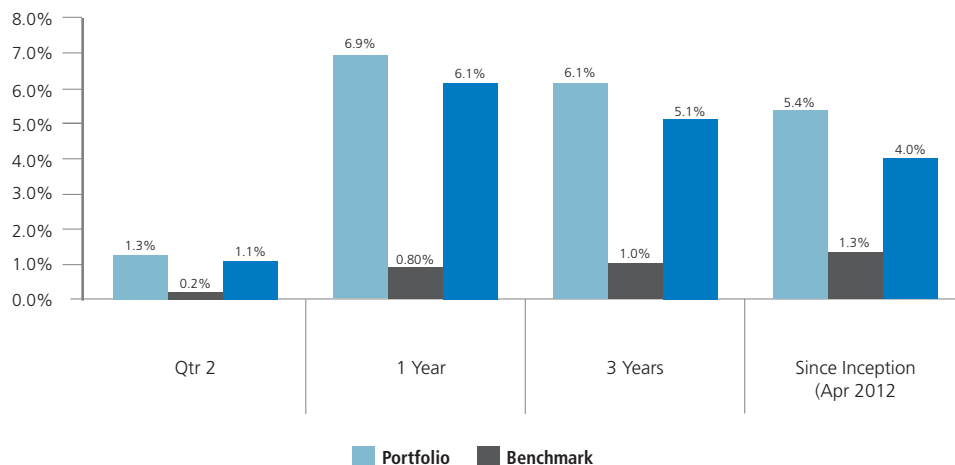


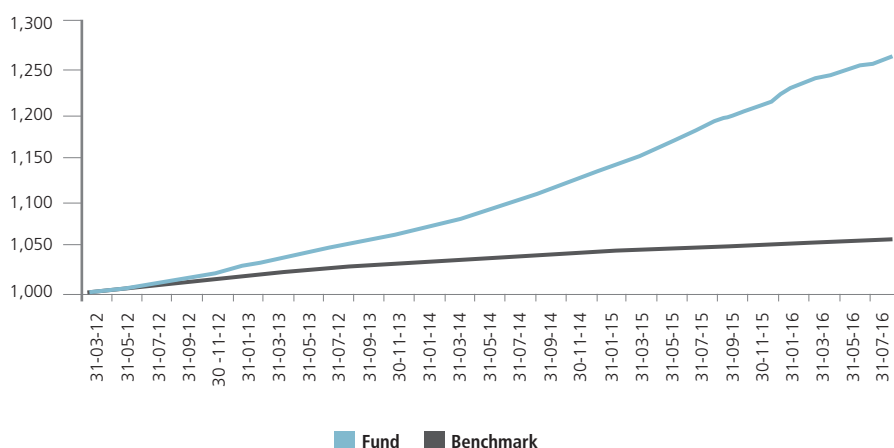
Fund Objective

The BUPUMM Local Money Market Fund (LMM) is a capital preservation fund that principally invests in low risk assets to manage short term cash needs. These comprise of cash, call deposits and fixed deposits. More importantly, they also include fixed deposits, BoBC-linked deposits, Treasury Bills (T-Bills) and structures with a maturity of less than one year. Cash and call deposits are held for liquidity purposes and yield a relatively lower return. Short term structured deposits and instruments such as short term loans are yield enhancing products that are made for a fixed period and thus provide less liquidity when measured against cash and call deposits.

Performance



Cumulative Returns Since Inception



QUICK FACTS

Risk Profile

Low	Low - Med	Med	Med-high	High
●				

Fund Information

Portfolio Manager: Dr Zoumana Kone, CFA
 Launch Date: April 2012
 Minimum Investment: P 5000 lump sum
 P 1000 debit order
 Fund Size: BWP806,269,788.00

Fees

Initial Fund Fee: 0.00%
 Annual Management Fee: 1 %
 Fees are shown excluding VAT

Income Distribution

Income Distribution Dates: Monthly

Contact Details

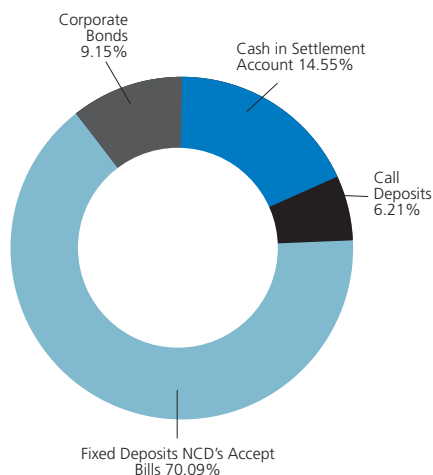
Trustees and Custodians
 Stanbic Bank Botswana
 Private Bag 00168
 Gaborone

Physical Address
 Bifm Unit Trusts (Pty) Ltd
 Plot 50676, Fairgrounds Office Park
 Gaborone, Botswana

Postal Address
 Private Bag BR185, Broadhurst
 Gaborone, Botswana

T: +(267) 395 1564
 F: +(267) 390 0358
 E: retailservices@bifm.co.bw

Asset Allocation as at June 2016



Performance for 2Q 2016

In the 2nd quarter of 2016 (2Q2016), the BUPUMM LMM fund returned 1.3 percent, an outperformance of 107 basis points against the benchmark return of 0.2%. The LMM outperformed the benchmark, over the one year, 3-year and since inception. The outperformance is mainly due to our lengthening of duration on the money market sides when money market instruments were attractively priced.

Quarterly Commentary

Rates on money markets instruments have fallen further in the 2nd quarter of 2016. The central bank loosened monetary policy in February 2015 and August 2015, cutting both the Bank rate and the primary reserve requirement (PRR). The PRR was reduced from 10 percent to 5 percent, releasing close to P2.3 billion of liquidity in the domestic economy in April 2015. Inflation in May 2016 stood at 2.8 percent and was below the lower end of the central bank target range of 3 to 6 percent. We expect supportive monetary policy on account of the fragility of the local economy and the unstable world economic outlook.

OUTLOOK AND STRATEGY

We expect interest rates to remain low in the near future. Money market instruments are expected to be the most affected. Already, contrary to the first quarter when short term deposits could fetch close to 10% on a one-year tenor, the same maturity is fetching less than 6 percent for major local banks. Excess liquidity estimated by the central bank was around P6.58 million as at 23 October 2015, against 5 billion as of 13 July 2015. As a result, we see some pressures on short term funds rates to fall in the market.

Outlook and Strategy

We expect interest rates to remain low in the near future. For the recent past, money market instruments have been the most affected. In the first quarter of 2015 short term deposits could fetch close to 10% on a one-year tenor, the same maturity is fetching about 3 percent for major local banks in the 2nd quarter of 2016. Excess liquidity estimated by the central bank was around P3.083 million as at 14 July 2016.

QUICK FACTS

Risk Profile

Low	Low - Med	Med	Med-high	High
●				

Fund Information

Portfolio Manager: Dr Zoumana Kone, CFA
 Launch Date: April 2012
 Minimum Investment: P 5000 lump sum
 P 1000 debit order
 Fund Size: BWP675, 946, 787.51

Fees

Initial Fund Fee: 0.00%
 Annual Management Fee: 1 %
 Fees are shown excluding VAT

Income Distribution

Income Distribution Dates: Monthly

Contact Details

Trustees and Custodians

Stanbic Bank Botswana
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