

Pula Money Market Fund

Fund Factsheet | 31st March 2025



Fund Objective

The Fund aims to provide return and liquidity through allocation mainly to short-term investments. The Fund is relatively low risk and caters for the low risk investor.

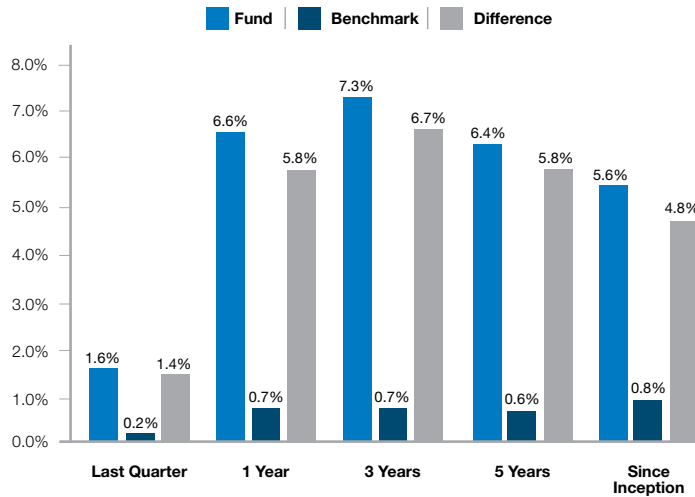
Strategy

The Bifm Pula Money Market Fund invests in Call and Fixed deposits and Treasury Bills. We actively manage the portfolio, by seeking yield assets, without compromising the risk and maturity profile of the fund.

Why Choose This Fund?

This fund is suitable for investors who want relatively high yields but need their funds to remain liquid.

Performance



Performance Review

Over the first quarter of 2025, the Fund returned 1.56%, outperforming the benchmark return of 0.20%. On a 12-month basis, the Fund returned 6.56%, an outperformance of 583 basis points over the benchmark which returned 0.73% for the same period.

Performance Commentary

Over the quarter, banking sector liquidity declined significantly, prompting banks to start pricing up deposit rates in a bid to attract funding. Banks have been pricing aggressively on tenors under 1-year vs tenors above 1-year. As a result, we expect yields to stabilize in the near term.

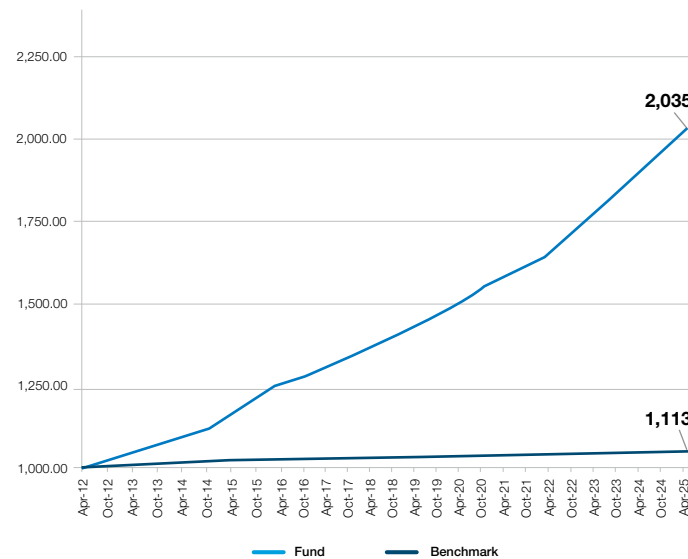
Market Overview & Strategy

The quarterly GDP release by Statistics Botswana showed a contraction of 2% in the real GDP over Q4 2024, compared to a growth of 2.3% in the corresponding quarter in 2023. The contraction in the domestic economy was mainly due to registered declines in the real value added by Mining & Quarrying, Manufacturing and Agriculture sectors. All other industries recorded positive growths of more than 0.7%.

The Non-mining GDP increased by 4% in the quarter. In particular, the Wholesale and Retail Trade, Public admin & Defense, and Education activities were among the sectors leading the growth registered from non-mining GDP.

Headline inflation, which began the quarter at 1.7% rose over the quarter to close at 2.8%, marginally below the lower end of the 3-6% objective range set by the Bank of Botswana. The rise in inflation was mainly driven by increase in Food & Non-Alcoholic Beverages prices as well as Miscellaneous Good and Services being motor vehicles mainly.

Cumulative Returns (BWP)

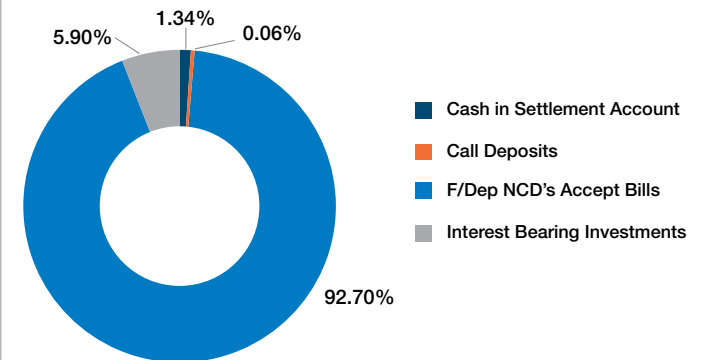


Inflation estimates by the Bank of Botswana show expectations of inflation to remain low into the medium term, averaging 2.5% in 2025 which was lower than their February forecast of 3.9%. At its meeting held in the last quarter, the Bank of Botswana's Monetary Policy Committee maintained the Monetary Policy Rate at 1.9%. This accommodative stance was largely in a bid to stimulate economic.

The domestic economy faces challenges relating to inadequate traction of transformation policy initiatives, thus lack of slowing the pace of economic diversification and leading to a weakened fiscal and external position. The recent downgrades to Botswana's outlook by rating agencies further emphasises these factors

Total Expenditure Ratio (T.E.R.): 1.34%

Asset Allocation



Quick Facts

Fund Information

Portfolio Manager: Bifm Investments Team

Launch Date: Apr 2012

Minimum Investment: P 1000 lump sum
P 200 debit order

Fund Size: BWP2,048,121,362.52

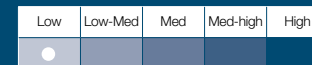
Fees

Initial Fund Fee: 0%

Annual Management Fee: 1%

Fees are shown excluding VAT

Risk Profile



Income Distribution

Income Distribution Frequency: Monthly

Contact Details

Trustees and Custodians
Stanbic Bank Botswana
Private Bag 00168
Gaborone

Physical Address

Bifm Unit Trusts (Pty) Ltd
Plot 66458, Fairgrounds Office Park
Gaborone, Botswana

Plot 396/7 Moffat Street, Central
Residential Area
Francistown, Botswana

Postal Address

Private Bag BR185, Broadhurst
Gaborone, Botswana

T: +(267) 399 2199 / +(267) 241 3041

F: +(267) 390 0358

E: retailservices@bifm.co.bw