

GRYPHON MONEY MARKET FUND



Gryphon is a registered FAIS; FSP license no: 581

December 31, 2009

Valuation date :
Investment manager : Gryphon Asset Management
 Jan Meintjes, CA (SA), CFA &
 Abri du Plessis, M Comm
Benchmark : Short term Fixed Interest Index (STeFI)
Classification : Domestic - Fixed Interest - Money Market

Fund profile

The Gryphon Money Market Fund generates a high monthly interest income, while preserving capital. It invests in money market instruments such as government and public sector securities, treasury bills, debentures and bank deposits. These instruments have a maturity of not more than 12 months. In order to ensure that liquidity is available and the capital is retained, the average maturity will not exceed 90 days.

Key features

The Fund is designed to generate optimal interest income while protecting the unit holders' capital investment.

Who should invest ?

- Investors seeking maximum interest income without risking their capital investment.
- Investors with an appetite for bank deposits or equivalents.

Performance objective

The primary performance objective of the portfolio is to obtain as high a level of current income as is consistent with capital preservation and liquidity. Capital gains will be of an incidental nature. The aim is top quartile performance in its category.

Market comment

Although the global economic recovery is well on track and local economic conditions are improving, consumer confidence remains fragile and erratic. This together with the appointment a new Governor of the SA Reserve Bank, as well as uncertainty surrounding the electricity tariffs and situation, has heightened the uncertainty regarding local monetary action. We are however of the opinion that the local economy can ill afford electricity hikes of the magnitude proposed, but that sanity will prevail and more bearable increases will finally be granted. This combined with a stronger than expected Rand, will relieve the inflation situation and may possibly afford the Reserve Bank the opportunity to cut rates by at least a further 50 points in the first quarter of 2010.

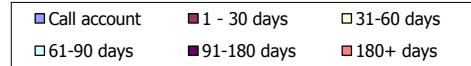
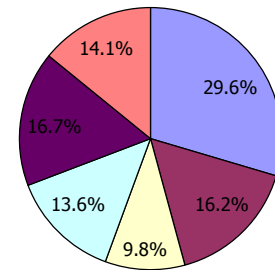
We foresee a steep yield curve for the time being, benefitting the fund's relative long and well positioned maturity profile. We shall therefore keep managing the fund's duration close to the maximum allowed in the short term. Liquidity wise the fund is furthermore well positioned to buy into value opportunities, which usually arise when liquidity starts to squeeze in easing cycles. From a philosophy perspective we remain a fundamentally conservative fund manager and will continue to actively avoid extremely risky investments, and invest only in vanilla instruments with A1/F1 or better credit-rated counterparties. We are confident that the good long-term performance history of the Gryphon Money Market Fund is intact and our short term relative performance on a daily basis is amongst the top three. Performance volatility of the fund remains low; best in the industry.

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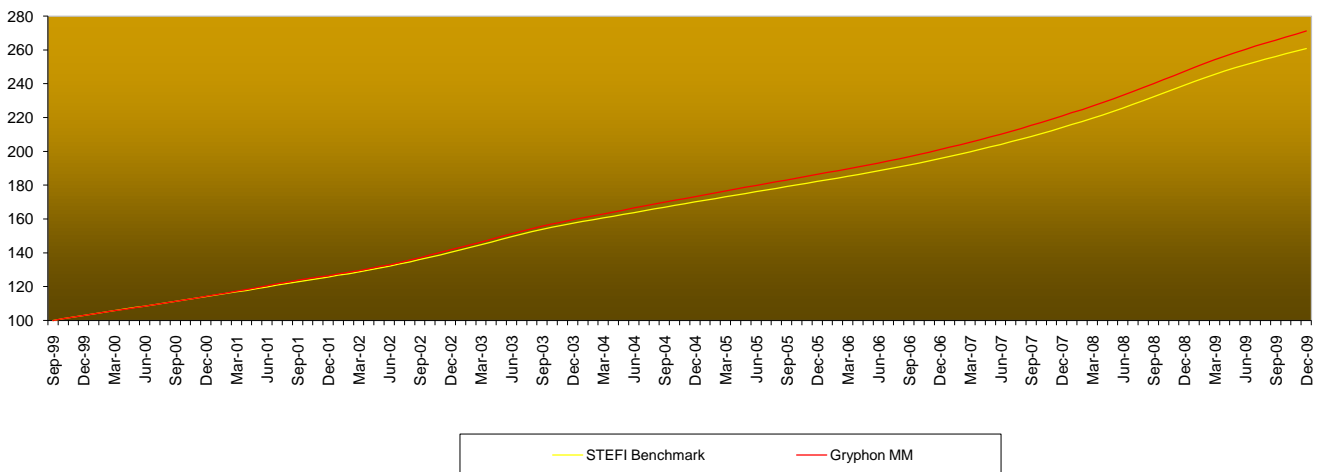
Min lump sum : R5 000
Min debit order : N/A
Income declaration : Declared daily, paid monthly
Charges (incl VAT) : 0.00% Maximum initial
 0.29% Annual
Total Expense Ratio (TER): 0.24%

Duration as at 31 December 2009

Average days to maturity = 86



GRYPHON MONEY MARKET FUND PERFORMANCE



Annualised performance figures (ranking) as at 31 December 2009(sell to sell)

(Source: MoneyMate)

Fund	12 Months	3 Years	5 Years
Gryphon MM	9.09% (5/28)	10.09% (5/21)	8.91% (3/19)
Benchmark (STeFi)	9.13%	10.05%	8.93%

Unit trusts should be considered medium- to long-term investments. The value of units may go down as well as up. Past performance is not necessarily an indication of future performance. Unit trusts are traded at ruling prices and can engage in scrip lending and borrowing up to 10% of the market value of the portfolio to bridge insufficient liquidity. Unit trust prices are calculated on a net asset value basis, which is the total value of all assets in the portfolio including any income accruals and less any permissible deductions (permissible deductions may include management fees, brokerage, UST, auditor's fees, bank charges, trustee fees and RSC levies) from the portfolio, divided by the number of participatory interests in issue. Funds are valued daily at 15:00. Instructions must reach us before 14:30 (11:30 for Money Market) to ensure same day value. A schedule of fees, charges and commissions is available on request. Commission and incentives may be paid, and if so, are included in the overall costs. Forward pricing is used. Performance figures are quoted from MoneyMate for lump sum investments using net asset value prices, with income distributions reinvested. Coris Capital Collective Investments is a member of the Association of Collective Investments.