

Momentum Global Cautious Fund - Class A USD

Fund data for the month ending 26 February 2021

Fund details¹

| | | | |
|---|---|---|--|
| Manager: Momentum Wealth International Limited | Investment manager: Momentum Global Investment Management | Inception date: 19 March 2008 | Currency: USD |
| Income distribution: Accumulating, income received is not distributed | Custodian: Northern Trust (Guernsey) Limited | Subscriptions / redemptions: daily | Fund size: USD 24.0 million |
| Valuation point: 11:00pm (Guernsey time) on the relevant Dealing Day | Investment timeframe: 3 years + | Minimum subscription: USD 7,500 | Price per share (as at 26 February 2021): USD 1.4585 |
| Target: Global Cash² + 2.5% | Initial fee: none | Financial year-end TER ³ : 1.25% | TER ³ : 1.26% |
| ASISA sector: Fund of funds | | | |

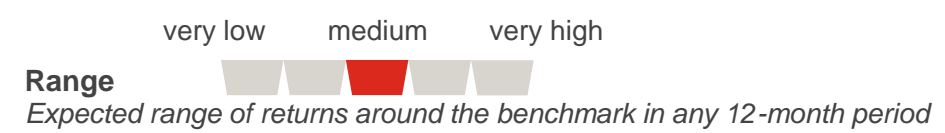
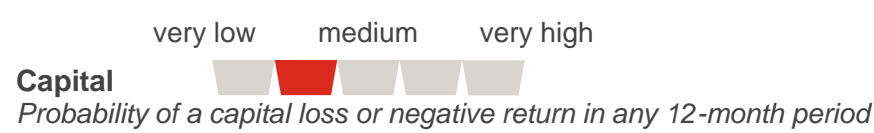
Subscriptions cut-off time:
The application form to subscribe must be completed and received by the Administrator by no later than 12:00 noon (Guernsey time) on the Business Day immediately preceding the relevant Dealing Day, with cleared funds to be received by 4.00pm (Guernsey time) three Business Days after the relevant Dealing Day.

Redemptions cut-off time:
Written notice to redeem must be received by the Administrator by no later than 12:00 noon (Guernsey time) on the Business Day immediately preceding the relevant Dealing Day.

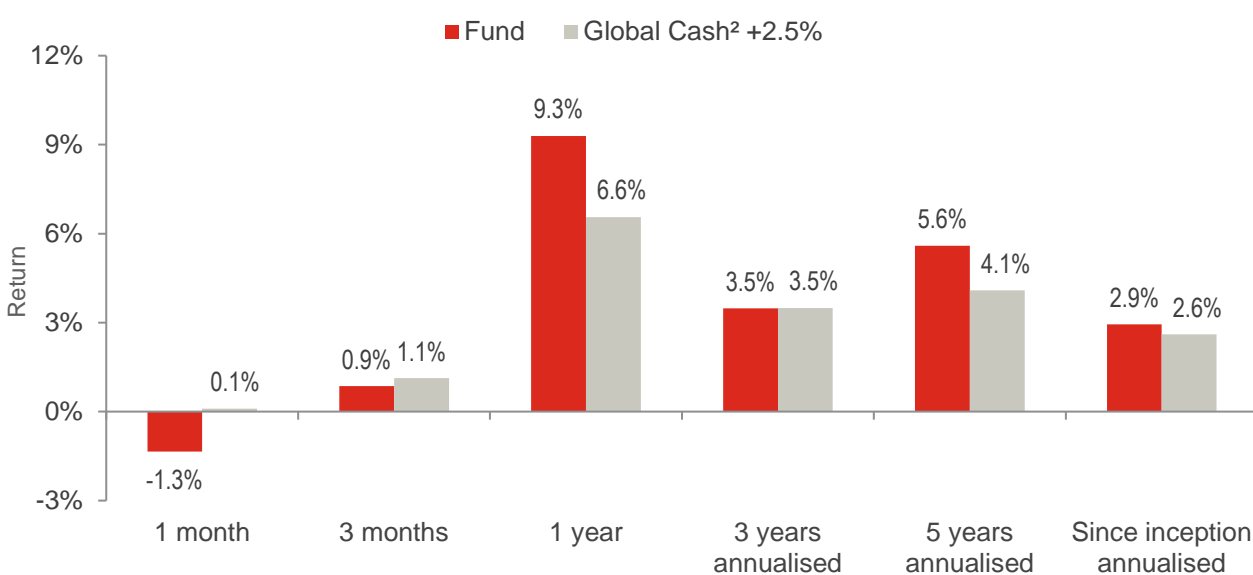
Up to date Fund prices per share are available on www.morningstar.co.za or upon request from the Manager or Administrator.

Investment objective

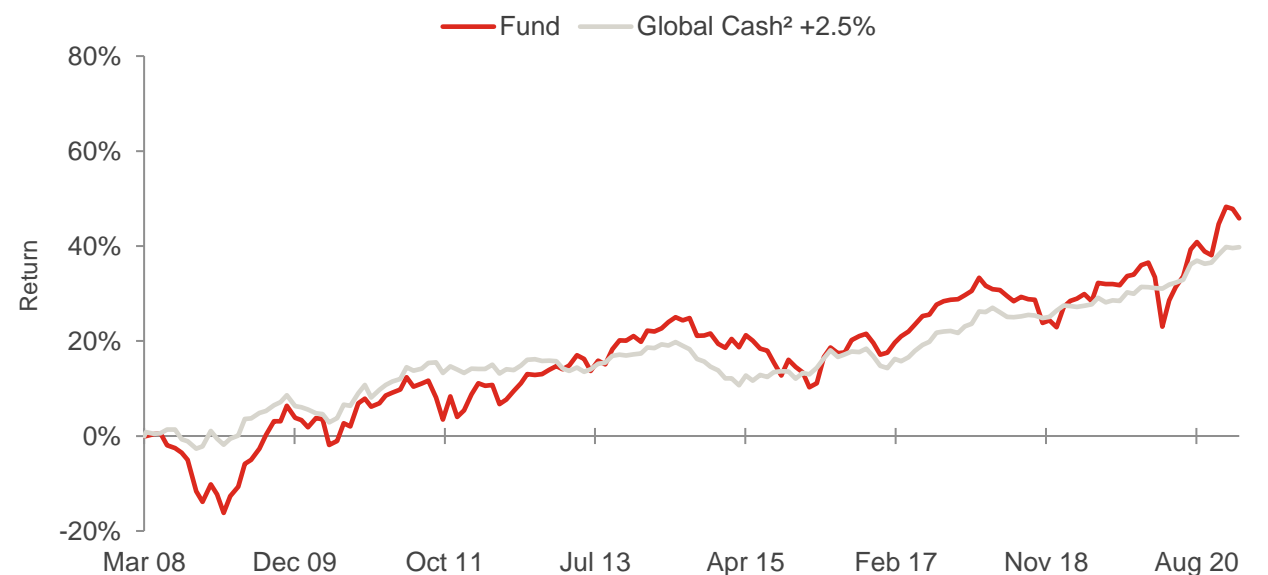
The Fund is designed to offer capital preservation with some opportunity for capital appreciation over the medium term through investment in a diversified range of international asset classes and currencies. The Fund is ideally suited to investors with a low risk tolerance with an investment horizon of 3 years or longer. The Fund intends to achieve its investment objective through a diversified global portfolio primarily consisting of investments in participatory interests of portfolios of collective investment schemes or other similar schemes.



Fund performance



Cumulative returns



Source: Morningstar, Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited. **Past performance is not indicative of future returns.** The Fund performance is calculated on a total return basis, net of all fees and in US dollar terms. NAV to NAV figures have been used for the performance calculations. The performance is calculated for the Fund. The individual investor performance may differ, as a result of various factors, including the actual investment date. Investment performance calculations are available for verification upon request. Annualised returns are period returns re-scaled to a period of 1 year. This allows investors to compare returns of different assets that they have owned for different lengths of time. Actual annual figures are available to investors upon request.

Top holdings

| Holdings | Asset type | Weight |
|---|--------------|--------|
| ⁴ US TIPS | Fixed Income | 19.8% |
| ⁴ Momentum IF Global Fixed Income | Fixed Income | 10.1% |
| ⁵ Robeco Multi-Factor Global Equity | Equity | 9.4% |
| ⁴ Muzinich EnhancedYield Short-Term (USD hedged) | Fixed Income | 9.4% |
| ⁴ Cash | Cash | 8.1% |
| ⁴ AXA US Short Duration High Yield | Fixed Income | 5.9% |
| ⁴ Fidelity Emerging Markets | Equity | 4.6% |
| ⁴ Sequoia Economic Infrastructure Income | Fixed Income | 4.3% |
| ⁴ iShares Physical Gold ETC | Commodities | 3.6% |
| ⁴ iShares Emerging Markets Government Bond Index | Fixed Income | 2.7% |

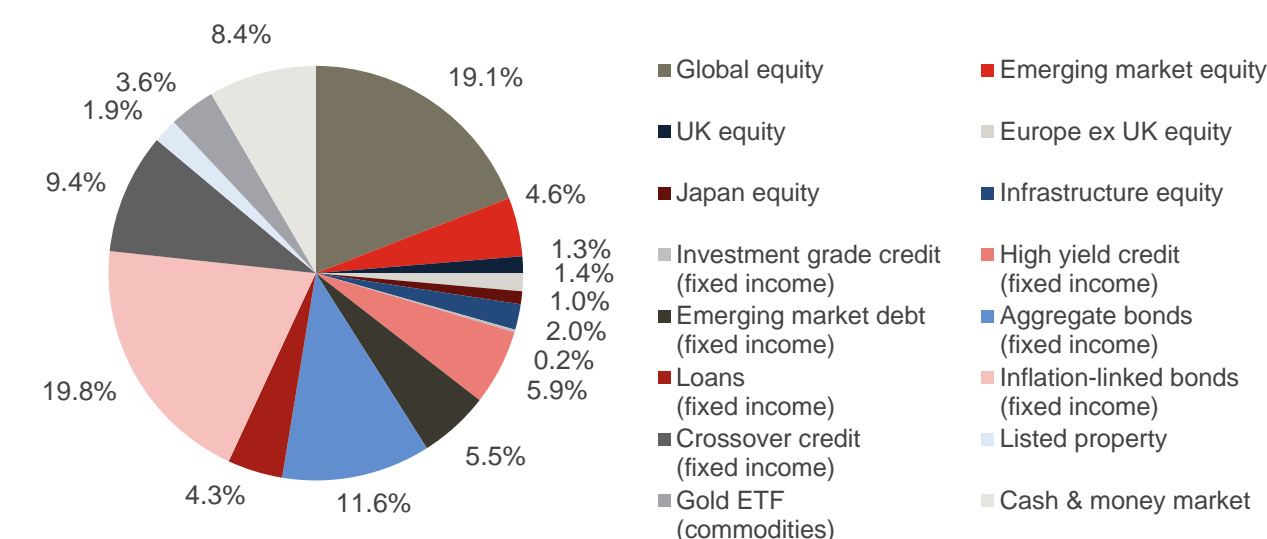
⁴ Direct holding ⁵ Indirectly held in the Momentum GF Global Equity Fund

Source: Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

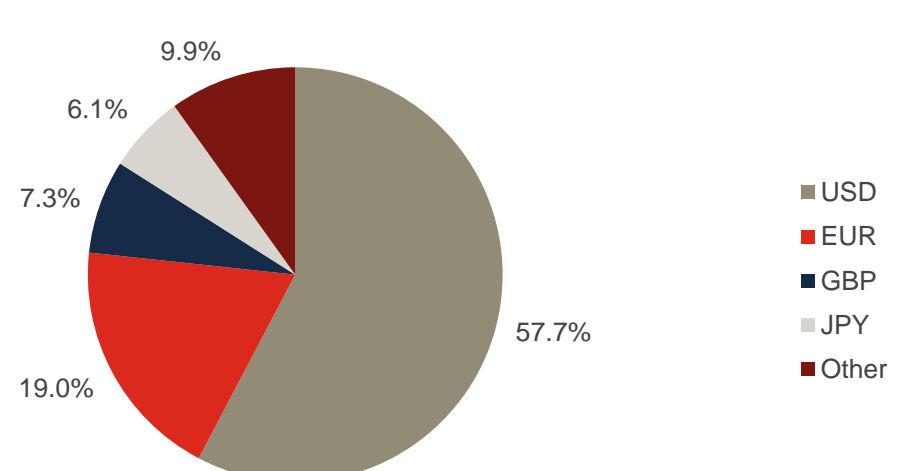
Investment statistics (since inception)

| | |
|------------------------|------------------------------|
| Cumulative return: | 45.9% |
| Annualised return: | 2.9% |
| Annualised volatility: | 7.5% |
| Highest annual return: | 23.5% (Dec 2008 - Nov 2009) |
| Lowest annual return: | -12.6% (Apr 2008 - Mar 2009) |

Current asset allocation⁶



Currency allocation



Source: Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

¹ Please refer to the fund supplement and scheme particulars for a detailed description of fees and fund facts.

² Global Cash is expressed in USD and is composed of 50% ICE LIBOR 3M USD; 25% ICE LIBOR 3M EUR; 10% ICE LIBOR 3M GBP; 15% ICE LIBOR 3M JPY. Prior to April 2019 the performance of the fund on this document was compared against a composite benchmark which comprised 30% MSCI AC World, 70% ICE BofAML Global Broad Market.

³ The Total Expense Ratios (TERs) are the percentages of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TERs. The TER to 31 December 2020 is based on data for the period from 31 December 2019 to 31 December 2020 and the financial year-end TER is based on data for the financial year-end to 30 June 2020. Cost ratios are calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

⁶ Current asset allocation figures reflect the strategy classification of the collective investment schemes (or similar schemes) held by the Fund and do not look through to the underlying holdings of such schemes.

■ Market commentary

Confidence in recovery has been growing since the vaccine news and Biden's election success in early November, and was boosted in February by encouraging data showing economies are weathering the current Covid restrictions better than expected, and by the increasing likelihood that Biden's pandemic fiscal package of \$1.9tn will pass through Congress successfully and speedily. Driving yields this month, however, was a significant rise in real yields. Bonds sold off, with the biggest falls at longer maturities, causing a further steepening of the yield curve.

This rise in the world's key discount rate undermined equities; having reached an all-time high in mid-February the MSCI World index fell 4% in the following two weeks. However, this still left markets higher over the month, World equities returning 2.6%. Precious metals sold off as real rates rose, with gold down over -6%, and the oil price was up 18%, taking it back to pre-pandemic levels.

Emerging markets returned 0.8% in local terms. Meanwhile developed markets, measured by the MSCI World index, returned 2.6%, with the UK and US returning 1.8% and 2.7% respectively.

Bond markets returned -2.0% in February, as measured by the Bank of America Merrill Lynch Global Broad Market index, with US investment grade corporate bonds returning -1.7% compared with -2.3% from Treasuries and +0.4% for US high yield bonds.

There remains ample slack in economies and employment levels are well below pre-pandemic levels. With one of the biggest economic recoveries in history to come in the second half of 2021 into 2022 these do not appear to be the conditions for a sustained fall in risk assets. We expect bouts of volatility such as that of the past few weeks, and we are still cautious about bond markets, but yields on longer dated maturities are beginning to return to more realistic levels, and equities offer good opportunities to participate in the recovery, especially in value sectors, which seem set to recover some of their underperformance against growth stocks of the past few years.

Source: Bloomberg, Momentum Global Investment Management Limited.

■ Fees applicable to Class A participating shares

| Management and administration fee (per annum): | Investment management fee (per annum): | Other applicable fees (per annum): |
|--|--|---|
| 0.30% <i>subject to a minimum of USD 22,000 per annum</i> Performance fees are not applicable to this Fund | 0.50% Performance fees: 0.00% | Distribution fees: 0.10% Custody fees: 0.04%, subject to a minimum of USD 8,000 per annum. (Custodian fee per transaction: USD 25) Directors' fees: 0.00% |

■ Risk warnings and important notes

Collective investments are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future.

Collective investments are traded at ruling prices. Commission and incentives may be paid and, if so, would be included in the overall costs. All performance is calculated on a total return basis, after deduction of all fees and commissions and in US dollar terms. Forward pricing is used.

The Fund invests in other collective investments, which levy their own charges. This could result in a higher fee structure for the Fund.

Fluctuations in the value of the underlying funds, the income from them and changes in interest rates mean that the value of the Fund and any income arising from it may fall, as well as rise, and is not guaranteed.

Deductions of charges and expenses mean that you may not get back the amount you invested.

The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.

Higher risk investments may be subject to sudden and larger falls in value in comparison to other investments. Higher risk investments include, but are not limited to, investments in smaller companies, even in developed markets, investments in emerging markets or single country debt or equity funds and investments in high yield or non-investment grade debt.

Notwithstanding ongoing monitoring of the underlying funds within the Fund, there can be no assurance that the performance of the funds will achieve their stated objectives.

The Fund will contain shares or units in underlying funds that invest internationally. The value of an investor's investment and the income arising from it will therefore be subject to exchange rate fluctuations.

Foreign securities may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information.

The Fund may contain shares or units in underlying funds that do not permit dealing every day. Investments in such funds will only be realisable on their dealing days. It is not possible to assess the proper market price of these investments other than on the fund's dealing days.

No borrowing will be undertaken by the Fund except for the purpose of meeting short term liquidity requirements. Borrowings will not exceed 10% of the net asset value of the Fund. For such purpose, the securities of the Fund may be pledged. No scrip borrowing will be allowed. The Cell is not permitted to enter into any form of borrowing or loan arrangement with other cells of the Company nor other collective investment schemes of the Manager.

While derivative instruments may be used for hedging purposes, the risk remains that the relevant instrument may not necessarily fully correlate to the investments in the Fund and accordingly not fully reflect changes in the value of the investment, giving rise to potential net losses.

Forward contracts are neither traded on exchanges nor standardised. Principals dealing in these markets are also not required to make markets in the currencies they trade, with the result that these markets may experience periods of illiquidity. Banks and dealers will normally act as principals and usually each transaction is negotiated on an individual basis.

The Manager has the right to close the Fund to new investors, in order to manage it more efficiently, in accordance with its mandate.

Investment in the Fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.

Investors are reminded that any forecasts and/or commentary included in this MDD are not guaranteed to occur, and merely reflect the interpretation of the public information and propriety research available to the Investment Manager at a particular point in time.

This report should be read in conjunction with the prospectus of Momentum Mutual Fund ICC Limited and the supplement, in which all the current fees and fund facts are disclosed.

Copies of these scheme particulars, including the Prospectus, Fund Supplement, and the annual accounts of the Scheme, which provide additional information, are available, free of charge, upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF, Telephone 0044 1481 735480, or from our website www.momentum.co.gg.

This report should not be construed as an investment advertisement, or investment advice or guidance or proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors in the Fund.

While all care has been taken by the Investment Manager in the preparation of the information contained in this report, neither the Manager nor Investment Manager make any representations or give any warranties as to the correctness, accuracy or completeness of the information, nor does either the Manager or Investment Manager assume liability or responsibility for any losses arising from errors or omissions in the information.

Momentum Mutual Fund ICC Limited is an incorporated cell company governed by the provisions of the Companies (Guernsey) Law 2008 as amended. Prior to its incorporation as an incorporated cell company on 19 January 2007, it was registered as a protected cell company on 20 February 2006. It is authorised, as an open-ended collective investment scheme of Class B by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended. In giving this authorisation the Guernsey Financial Services Commission do not vouch for the financial soundness of Momentum Mutual Fund ICC Limited or for the correctness of any of the statements made or opinions expressed with regard to it.

Momentum Global Cautious Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 47777.

Momentum Global Cautious Fund IC Limited is approved under the South African Collective Investment Schemes Control Act (No. 45 of 2002).

Momentum Wealth International Limited is the Fund Manager, licensed by the Guernsey Financial Services Commission, with its registered office at La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF. Momentum Wealth International Limited is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa. Momentum Wealth International Limited is a full member of the Association for Savings and Investments SA (ASISA).

Momentum Collective Investments (RF) (Pty) Ltd a South African company Registration No. 1987/004287/07, with its registered office at 268 West Avenue, Centurion, 0157, South Africa, has been appointed by the Manager as the Representative Office for the fund. Share call number 0860 111 899 Telephone +27 (0) 12 675 3002 Facsimile +27 (0) 12 675 3889.

Momentum Collective Investments (RF) (Pty) Ltd is an authorised manager of collective investment schemes in terms of the Collective Investment Schemes Control Act, No 45 of 2002.

Northern Trust International Fund Administration Services (Guernsey) Limited is the Fund Administrator, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL.

Momentum Global Investment Management Limited is the appointed Investment Manager of the fund and is authorised and regulated by the UK Financial Conduct Authority, with its registered address at The Rex Building, 62 Queen Street, London EC4R 1EB. Momentum Global Investment Management Limited is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

Northern Trust (Guernsey) Limited is the Custodian, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 71, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3DA

Momentum Wealth International Limited does not provide any guarantee, either with respect to the capital or the return of the Fund.

This report may not be circulated or copied where it may constitute an infringement of any local laws or regulations. This report is for the sole use of the intended recipient and may not be reproduced or circulated without the prior written approval of the Manager.