momentum
global investment management

Momentum Managed Portfolio Solutions

January 2024

Aimed at professional advisers.

With us, investing is personal

Contents

Introduction

Momentum Global Investment Management was established in the UK in 1998 as an investment business focused on designing, building and managing innovative investment solutions. The firm is a wholly owned subsidiary of Momentum Metropolitan Holdings Limited, a large South African insurance and investment business, listed on the Johannesburg Stock Exchange.

We work closely with our institutional and adviser partners in the UK, Europe, Asia, Middle East, Latin America and South Africa in order to build and manage solutions that meet the needs of our investors.

We are deliberately different. We have developed a unique investment philosophy that prioritises the prospect of our clients achieving their investment goals. Our team of investment specialists work collaboratively to identify and implement innovative investment ideas based on our wealth of experience to achieve these goals.

"At Momentum Global Investment Management, we have been focussed on client outcomes for a long time. This is embedded in our outcome-based investment philosophy and process, as well as our corporate culture and values. This defines our actions and sets the tone in our client engagements and investment decisions.

Our stated purpose is "To help people from all walks of life to achieve their financial goals". Hence, we strive to deliver investment outcomes and experiences that are closely aligned with the investment needs of our investors. With us, investing is personal."

Ferdi van Heerden
Chief Executive Officer

Founded in 1998

AUM £6.8bn
at December 2023

Core capability in Multi-Asset solutions, underpinned by bespoke Single Asset class funds

Boutique approach with global backing

Our investment philosophy and process

At Momentum Global Investment Management we have leveraged our investment expertise and resources to deliver a truly focused outcome-based investment approach. Our philosophy is both simple and compelling in taking clearly defined steps in asset allocation, risk mitigation and investment selection to increase the probability of delivering the investment outcome over a defined time horizon. Our aim is to smooth the investment journey towards the outcome and in doing so keeping your clients invested through all market conditions.

The Momentum Managed Portfolio Service aims to provide an 'all-in' cornerstone solution for clients that effectively takes responsibility for the significant research burden of investment and manager selection combined with specialist active asset allocation, portfolio construction and risk management activities.

Asset class selection is our starting point – we first determine the relative attractiveness of asset classes based on our assessment of the macroeconomic environment, valuations and investor sentiment. We look at asset classes in an absolute sense relative to their own history and also relative to other asset classes. We model and scenario test likely returns for each asset class. We compare valuation versus our bottom-up five year expected returns and overlay different economic scenarios to stress test the prospective returns. Our ideal is to find asset classes that are likely to meet our long-term return criteria irrespective of the path of the wider economy.

Instead of researching individual companies and securities in order to implement asset allocation decisions, our investment team outsources the selection of these securities to a wide range of different specialist investment managers. Our aim is always to be invested with the managers that provide the greatest potential for strong future performance. Momentum's dedicated investment professionals undertake detailed and extensive due diligence into all underlying managers. This creates great insight into the individual investment characteristics of any particular fund and allows us to blend best of breed managers from across the globe that we believe will complement each other to the benefit of the portfolio as a whole.

Portfolio construction is the next step in the investment management process. This is where we blend together asset allocation and manager selection decisions to form a coherent investment proposition. This is a key aspect of portfolio construction – maintaining a well-diversified portfolio reduces the impact of volatility on a portfolio and puts us in a stronger position to make the most of market dislocations.

The intention is for our funds to be well diversified by asset class, currency, geography, investment style and across several managers, in order to provide sustainable returns and reduced volatility.

Strategic Asset Allocation (SAA)

UK Equities **Overseas Equities** **Fixed Income** **Alternatives**

Tactical Asset Allocation (TAA)
Adjustment to core allocations according to high/low yields indicative of high/low future returns

Mid cap focus	**Benchmark agnostic**	**TAA drives approach**	**Heterogeneous asset class**
Emphasis on profit and dividend capacity	**High active share**	**Preservation yield value**	**Exposure to real assets**
Equally weighted holdings	**Niche managers**	**Active managers who avoid defaults**	**Focus on security of income, asset value**

Focus on Quality and valuations

Meet the team

The Portfolios are managed by our twenty strong multi-asset investment team, who have been responsible for the strategy and management of the Portfolios since 2016.

Glyn Owen - Investment Director

Glyn is Investment Director and a member of the Investment Strategy Group. He manages many of the relationships with key partners and clients. He has over forty five years of investment experience, nearly all of which has been in the City of London. He was one of the founders of Momentum's international investment business in London in 1998, prior to which Glyn was Head of the International Division at Deutsche Morgan Grenfell, where he was responsible for international investments for non-UK institutions. Glyn travels extensively and presents at various conferences all over the world.

Andrew Hardy, CFA - Director of Investment Management

Andrew Hardy is a long-standing member of Momentum's investment team, having been with the company since 2005. Prior to his appointment as Director of Investment Management he was co-Head of Research and has managed portfolios for over ten years, leading on the Harmony Portfolios multi-asset range and global developed and emerging market equity funds. During his time at the company he has played a central role in developing the team's investment philosophy and process while supporting business strategy and development. He is a CFA Charterholder and has a BSc in Economics from the University of Bath.

Alex Harvey, CFA - Senior Portfolio Manager & Investment Strategist

Alex is the Senior Portfolio Manager and Investment Strategist of the Momentum Managed Portfolio Service. Alex is also the lead Portfolio Manager for a number of our fixed income funds and portfolios including the Momentum GF Global Fixed Income Fund. Alex coordinates the international investment strategy and asset allocation process, liaising closely with the Strategy and Investment team in South Africa. Alex regularly appears in the press and presents at conferences around the world. He joined Momentum in September 2007 having previously worked as Futures Portfolio Manager at JP Morgan Asset Management in London, where he started his investment career in 1998. Alex is a CFA charterholder.

Gregoire Sharma, CFA - Senior Research & Portfolio Analyst

Gregoire joined Momentum in October 2022 as a Senior Research & Portfolio Analyst within the multi asset team, with a focus on fixed income. He leads the manager research and selection across a number of sub asset classes and helps shape the fixed income asset allocation for Momentum's funds and portfolios. He is also a key individual in the portfolio management team for Momentum's Managed Portfolio Service (MPS) and the Sustainable MPS range. Prior to this, Gregoire worked at Signia Wealth, and BNP Paribas where he started his career in 2012. He is a CFA charterholder, holds an MSc in Finance from EDHEC Business School and an MEng in Electrical & Electronics Engineering from Imperial College.

Jade Coysh - Senior Research Analyst & ESG Specialist

Jade joined Momentum in March 2023 as Senior Analyst & Responsible Investment Specialist within the investment team. She provides ESG investment insights and supports stewardship activity across all asset classes. She leads the US equity manager selection and is a key individual in the portfolio management team for Momentum's multi-asset portfolios run for the South African retail market. Prior to joining, Jade worked at Quilter Cheviot, ABN Amro in Paris and Towers Watson, where she started her career in 2011. She achieved a first class (hons) degree in Accounting and Finance from the University of Brighton, has completed level one of the CFA qualification and CISI Wealth Management diploma, and holds both the IMC qualification and CFA certificate in ESG investing.

Introducing the Managed Portfolio Service

The Momentum Managed Portfolios are designed to give investors of all risk profiles access to discretionary investment strategies through model portfolios suitable to them and their investment goals. Our solutions are structured to provide a sophisticated investment offering that aims to perform strongly in an array of market conditions.

The Momentum Managed Portfolio Service consists of six Managed Portfolios, three Sustainable Managed Portfolios, and an Income Portfolio designed to cater for a wide range of risk, return and ethical appetites. The Portfolios are highly diversified and spread risk by investing across regions and asset classes. As well as a wide diversification of assets, we also use a blend of investment styles and approaches that we feel support and are complementary to our outcome-based investment approach.

Key features:

Momentum's investment specialists work collaboratively to identify and implement ideas based on a wealth of experience

A true multi-asset offering aiming to deliver real returns via access to a broad and diversified investment universe

The Managed Portfolios are easily accessible and currently available on nine platforms

All Portfolios are independently risk-rated by leading rating agencies

With markets becoming ever more dynamic and changeable it can be a challenge for advice firms to keep on top of important areas such as asset allocation, fund research and fund selection. This is where a well-resourced Managed Portfolio Service can come into its own, with a constant and consistent approach to market analysis and regularly re-shaping portfolios, aiming to improve outcomes for our clients.

Managed Portfolios as an outsourced approach could assist your investment processes to deliver outcomes and investor value, by:

Aligning with client outcomes

Momentum's outcome-based investment philosophy guides our approach in determining the optimal strategic asset allocation for a particular investment objective. Each Portfolio has been specifically designed to focus on achieving set outcomes and smoothing the journey towards them.

Client communications and reporting

As a model portfolio partner, we are able to work with you to create communications and reporting; providing insight into investment decisions and portfolio changes and providing regular reporting for your client engagement.

Efficiency and robustness

Momentum has an experienced and well-resourced team of investment professionals including specialists in fund research, risk management, portfolio construction and trade implementation. Outsourcing these functions to Momentum enhances efficiency within your business.

Thinking commercially and delivering value

Delivering value for clients isn't just about price; it incorporates service, experience, and ultimately client satisfaction. All of which can be difficult to achieve without scale. Partnering with Momentum could provide broader resources, supporting you and your clients.

Investment objectives & strategy

The Momentum Managed Portfolios are ideal for clients who are looking for an investment solution that has a clear target outcome, is benchmark agnostic, and who require want a steady return from their investments. They are designed for clients who would like exposure to a wide range of assets through one portfolio and have lifetime goals in the medium to long term.

Momentum Managed Portfolios 3 - 6

Managed Portfolios 3 – 6 aim to achieve inflation beating returns over time from a mix of different asset classes, within a tight risk-controlled framework. The Portfolios can invest in a range of asset classes such as equities, bonds, real assets, absolute return funds and cash. The Portfolios are designed to target a real return (above inflation) over the longer term.

Momentum Managed Portfolios 7 and 8

Managed Portfolios 7 and 8 aim to achieve inflation beating returns over time from a mix of different asset classes, within a tight risk controlled framework. The Portfolios can invest in a range of asset classes such as equities, bonds, commodities, absolute return funds and cash. The Portfolios will actively pursue a growth strategy by holding assets at the higher end of the risk spectrum and aims to deliver a commensurate rate of return given its volatility parameters.

Momentum Income Portfolio

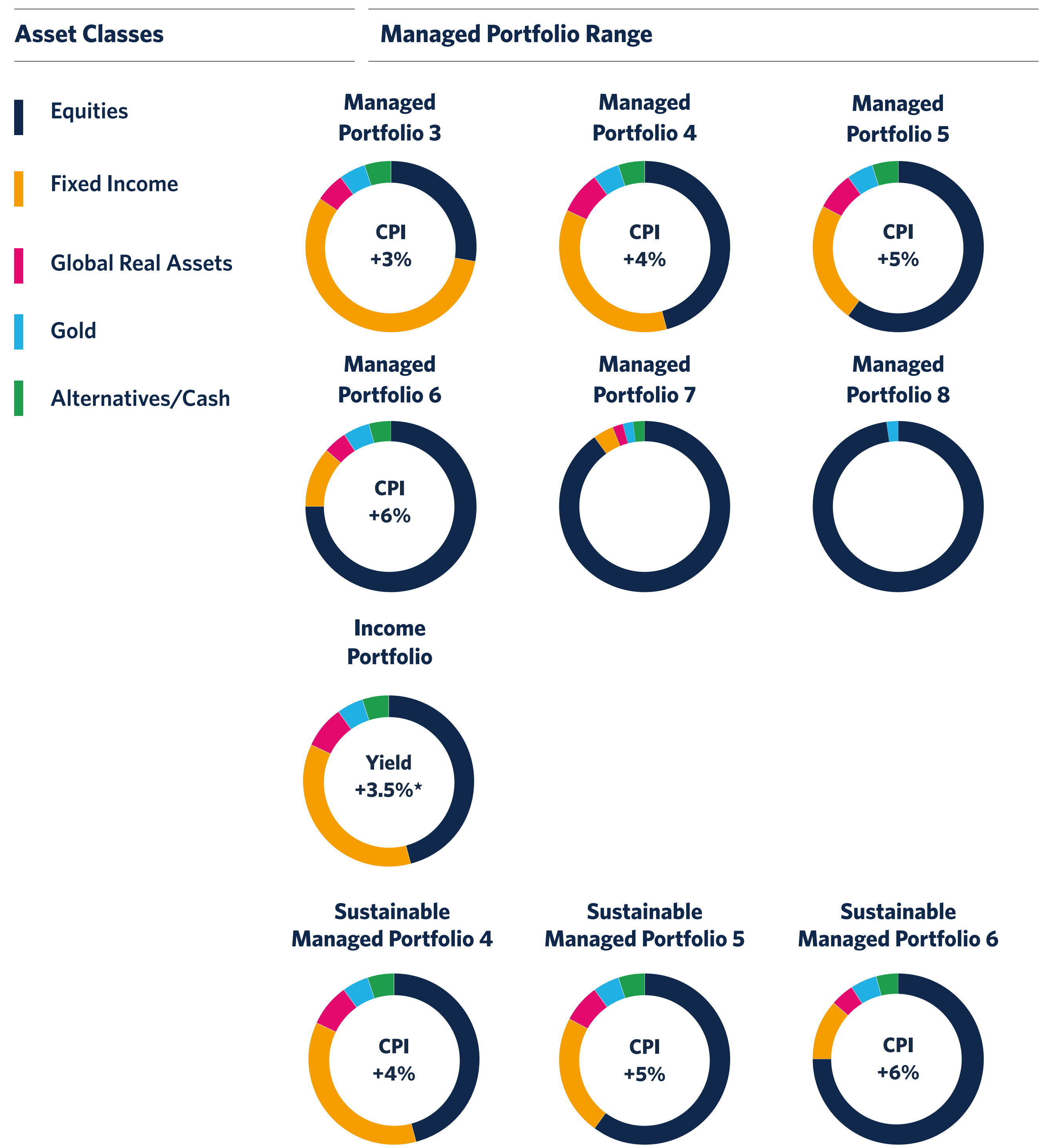
The Momentum Income Portfolio has been developed as an alternative to capital growth. The investment objective is to achieve a reasonable yield from a mix of different asset classes. The Portfolio will actively pursue a diversified investment strategy targeting a medium yield. The Portfolio will have a medium level of risk to capital and deliver a commensurate rate of return.

Momentum Sustainable Managed Portfolios 4 – 6

The Momentum Sustainable Managed Portfolios aim to achieve sustainable real returns from a mix of different asset classes, within a tight risk controlled framework. The Portfolios will invest predominantly in funds that are considered to have a better or improving sustainability footprint versus their broader peer group, or that when blended together will help the model portfolio achieve superior sustainability credentials. The Portfolios can invest in a range of asset classes such as equities, bonds, real assets, absolute return funds and cash.

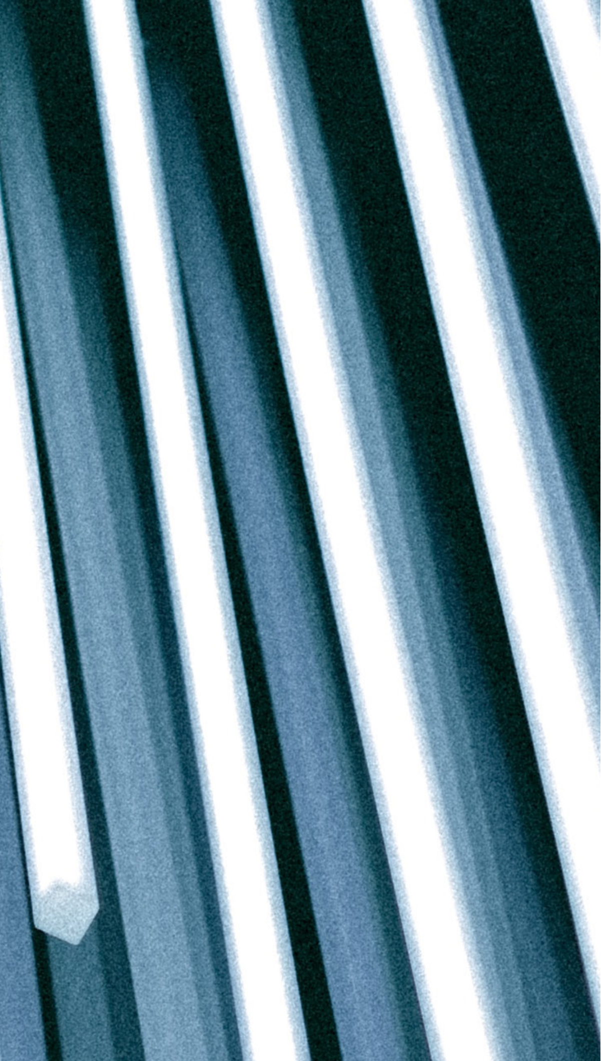
Our core strength is a detailed, in-depth understanding of multiple asset classes. For each asset class we undertake extensive modelling using proprietary techniques to assess likely returns under different scenarios. This allows us to build robust portfolios that are likely to perform across different economic climates.

The Managed Portfolios asset allocation is actively managed and reflects our views on asset classes, regions and currency.



Allocations subject to change

**The Current Yield is the weighted average yield of the underlying holdings over the past twelve months. This does not include underlying fund charges.*



Risk and performance

The Portfolios target inflation plus returns over related time horizons, are highly diversified and spread risk by investing across regions and asset classes, adhering to our outcome-based philosophy.

The Momentum Income Portfolio was developed to satisfy an increased demand for income as an alternative to capital growth. The Income Portfolio is designed to meet various income requirements. The Portfolio is carefully constructed with the objective to provide a sustainable income within a tight risk control framework.

We have designed three new Sustainable Managed Portfolios to complement our existing range. These align more closely to the responsible investing principles of our investment philosophy. Our Sustainable Managed Portfolios offer a suite of diversified multi-asset portfolios with a dual mandate that caters for a range of risk and return objectives, whilst improving the sustainable investment footprint. The Portfolios seek to enhance the real wealth of clients by delivering inflation beating returns over time, whilst limiting drawdown and improving the investment journey.

5 year discrete performance
as at 29 December 2023

	Dec 22 - 23	Dec 21 - 22	Dec 20 - 21	Dec 19 - 20	Dec 18 - 19
Momentum Managed Portfolio 3	3.7%	-7.9%	4.9%	4.0%	7.3%
Momentum Managed Portfolio 4	5.6%	-8.4%	9.4%	3.5%	10.6%
Momentum Managed Portfolio 5	6.8%	-8.6%	12.8%	2.1%	13.0%
Momentum Managed Portfolio 6	7.8%	-9.0%	14.3%	3.3%	14.8%
Momentum Managed Portfolio 7	7.8%	-9.3%	15.4%	4.2%	15.1%
Momentum Managed Portfolio 8	7.2%	-10.1%	14.4%	4.7%	15.0%
Momentum Income Portfolio	5.5%	-6.4%	9.3%	0.4%	11.0%
Momentum Sustainable Managed Portfolio 4	5.4%	-9.9%	8.8%	-	-
Momentum Sustainable Managed Portfolio 5	6.3%	-10.1%	10.6%	-	-
Momentum Sustainable Managed Portfolio 6	6.9%	-10.2%	12.3%	-	-

Source: Momentum Global Investment Management, Bloomberg Finance L.P. Past performance is not indicative of future returns.

We use various risk mapping tools to show the different levels of risk within our Portfolios. All our Portfolios are aligned to a different level of risk and are mapped to Dynamic Planner, one of the UK's leading independent risk profiling services, making selection a clear and transparent process.

Our charge for discretionary management of the Portfolios is very competitive, at 0.25% (no VAT).

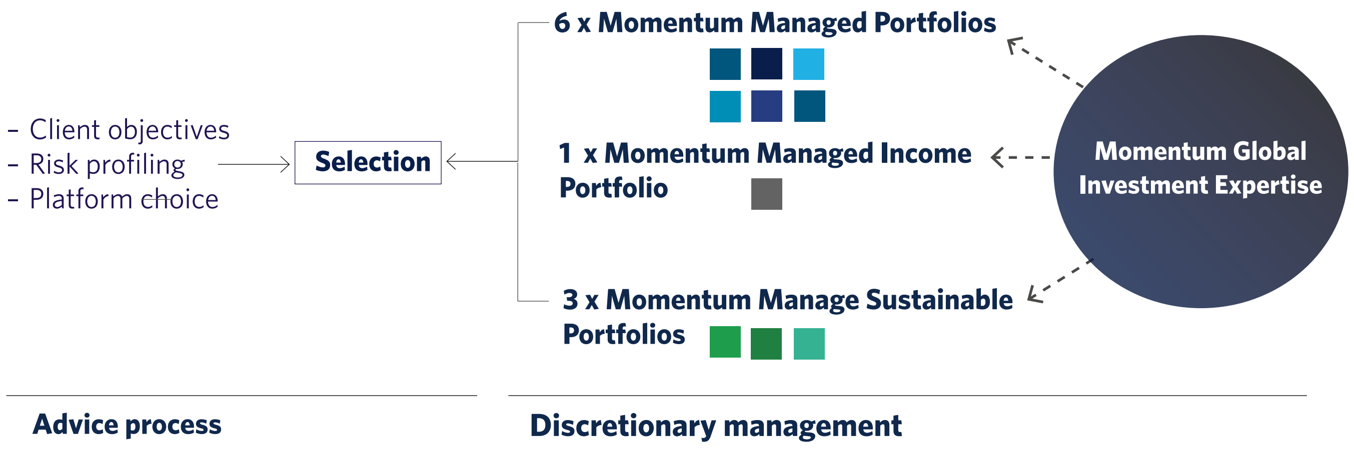
The Momentum Portfolios are rebalanced on a regular basis to ensure that the asset allocations adhere to the original risk profiles.

Our Portfolios are available on a number of investment platforms. The Managed Portfolios have been given a 5 star rating by Defaqto.

defaqto
EXPERT RATED
DFM MPS on Platform 2023

Risk ratings:

Portfolio	Dynamic Planner profile	Defaqto Risk Rating	FinaMetrica score range
Momentum Managed Portfolio 3	3	3	37 - 48
Momentum Managed Portfolio 4	4	4	51 - 62
Momentum Managed Portfolio 5	5	5	63 - 76
Momentum Managed Portfolio 6	6	7	70 - 86
Momentum Managed Portfolio 7	7	8	75 - 100
MomentumManaged Portfolio 8	8	9	79 - 100
Momentum Income Portfolio	4	4	-



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Ratings: Defaqto is a financial information business. Profile published 27.11.2023 by Distribution Technology based on data and information as at 30.09.2023. Full FinaMetrica Risk Tolerance Risk scores for the Portfolios is available upon request.

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