

## Press release

# Momentum's Diversified Target Return Fund celebrates three year track record

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**03 October 2011**

Momentum's Diversified Target Return Fund (DTR), co-managed by Michael Allen (CIO) and Christopher Mahon (Head of Investment Strategy) was launched on 24 September 2008, a week after the Lehman's collapse, during one of the most challenging and volatile periods in the history of financial markets. Since launch, the DTR Fund, which targets GBP LIBOR +3% (net) p.a. and implements a benchmark free approach to investing, has returned 8.1% (net) annualised compared to 3.6% for the FTSE 100 and 4.1% for the MSCI World (in Sterling terms). Annualised volatility has been 7.4% compared to 25.6% and 21.2% for the FTSE 100 and MSCI World respectively (source: Bloomberg, 26 September 2011).

Aiming to deliver equity-like returns with less risk, the team utilises dynamic asset allocation and implements the strategy using a combination of active and passive third party specialists to swiftly implement the team's views, based on a disciplined valuation-driven framework and market inefficiencies.

Commenting on the Fund, Michael Allen, CIO stated "we are delighted to get a strong three year track record under the belt in a period that has been exceptionally volatile and has really tested our asset allocation process. Our aim is to look after our clients' investments and deliver most of the equity upside while significantly reducing exposure to the downside when markets fall. This is exactly what we've done". He added "the team is invested in the Fund, aligning our interests with our clients and highlighting our belief in the product".

Commenting on the inauspicious period since the launch of the Fund, Michael Allen continued "We are very pleased with progress to date. Valuations have shifted dramatically over the last few years and have highlighted the importance of strong decision-making". Ferdi van Heerden, CEO also added, "The DTR Fund is our flagship UK-focused institutional offering, aggregating our expertise in asset allocation, manager selection and portfolio construction. We have won a number of institutional and wealth management client mandates and interest from the investment consulting community, pension schemes and wealth managers has been strong. To sit alongside the DTR Fund in the retail space, we have recently launched a DC / retail diversified product and are also looking at white-label opportunities in the UK and Europe".

**Ends**



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**Notes to editors**

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Source: Momentum Global Investment Management, September 2011



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