

Momentum Global Balanced Fund (Class B)

Month ended 28 February 2019

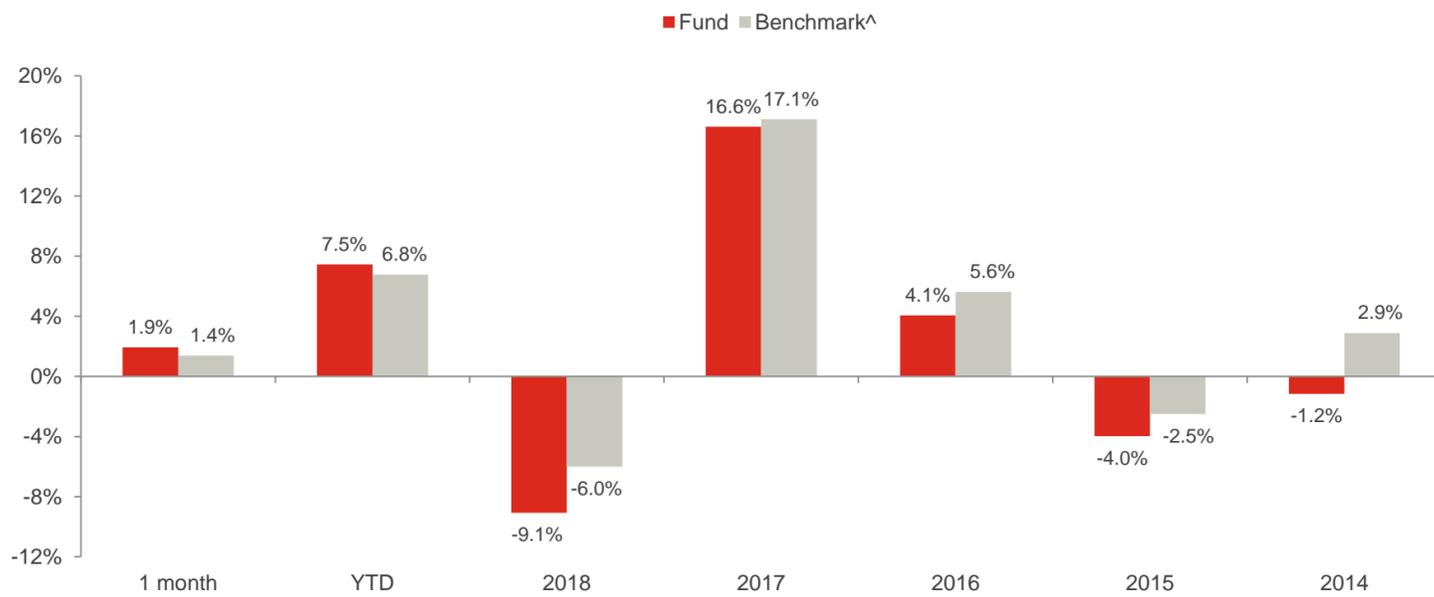
Fund details*

Investment manager: Momentum Global Investment Management	Investment timeframe: 3 years+	Currency: USD
Minimum subscription: USD 7,500	Subscriptions / redemptions: daily	ISIN: GG00B3FKLF78
Inception date (investment strategy): 30 September 2004	Inception date (fund): 18 April 2007	Initial fee: none TER ^{**} : 2.02%
Benchmark: 60% MSCI AC World, 40% ICE BofAML Global Broad Market		Price per share: USD 1.3323

Investment objective

The primary objective of the Fund is to provide a balance between capital preservation and capital growth over the full investment cycle in local currency terms with a reduced level of volatility. The diversified portfolio invests into a wide range of asset classes including cash, fixed income, high yield, equities, property and alternative investment strategies. As this portfolio is global in nature, exposure will be taken in a wide range of currencies and markets. The Fund is ideally suited to investors with a medium risk tolerance with an investment horizon of three years or longer.

Fund performance***



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.

^ With effect from 01.07.18 the 40% allocation in the FTSE WBI index was replaced with the ICE BofAML Global Broad Market index. This has not been applied retrospectively.

Top holdings

Holdings	Asset type	Weight
² Robeco Global Value	Equity	5.3%
¹ iShares \$ Treasury Bond 7-10yr	Fixed Income	5.1%
¹ US Treasury Bonds	Fixed Income	4.7%
¹ iShares \$ TIPS	Fixed Income	4.3%
² Jennison	Equity	4.2%
¹ iShares MSCI Emerging Markets	Equity	3.9%
² Robeco Global Quality	Equity	3.8%
² Robeco Global Enhanced Income	Equity	3.8%
¹ Momentum IF Global Emerging Markets	Equity	3.5%
² Artisan	Equity	3.1%

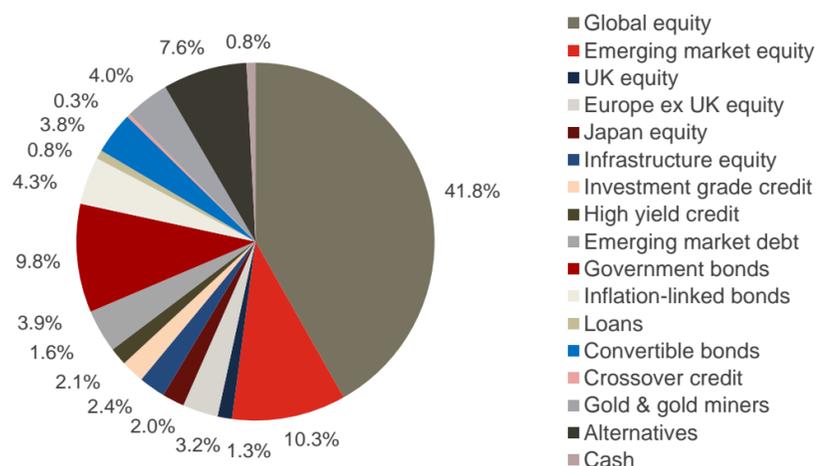
¹ Direct holding

² Indirectly held in the Momentum IF Global Equity Fund

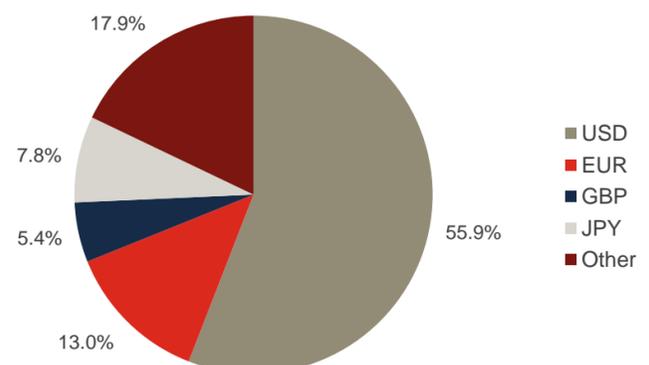
Investment statistics (since investment strategy inception)***

Current month return:	1.9%
Cumulative return:	83.7%
Annualised return:	4.3%
Annualised volatility:	10.2%

Strategy allocation



Currency allocation



Sources: Morningstar, Lipper Hindsight, Momentum Global Investment Management, Northern Trust International Fund Administration Services (Guernsey) Limited.

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

** As at 31 December 2018, 2.02% of the Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio.

*** Performance figures prior to 30.07.2013, the inception date of the Class B share, have been simulated to reflect the different fee structure by adjusting the Momentum Global Balanced Fund Class A share's past performance.

■ Market commentary

The recovery in equity markets, inspired by the Federal Reserve pivot, continued through February, albeit on a more mixed and less dramatic basis than January. The MSCI World index returned 3% on the month, outperforming emerging markets which were generally more subdued following their surge in January. European equities led the way across the major indices, returning 4.1%, with the US and Japanese markets following closely behind. US equities returned 3.1%, taking their recovery since the December low to 19% and leaving the S&P 500 only 4% off its all-time high. The most notable move came in China, where the Shanghai Composite advanced 14% in February, with encouraging signs of progress between the US and China on trade negotiations boosting investor sentiment.

Bond markets followed a similar pattern to January. Governments bonds traded in a remarkably narrow range with yields moving very little, while the higher risk credit market performed well. Credit spreads have narrowed significantly since the shift in Fed policy, leaving little room for disappointment from today's levels.

The Federal Reserve has continued to emphasise that its policy will be patient and data dependent. It is mindful of muted inflation, slowing growth in China and Europe, and uncertainty around government policy issues including trade negotiations. It has given clear indications that rates are on hold for now and that it will end its balance sheet run-off, currently running at \$50 billion per month, later this year. These are key factors for markets and largely remove the fear of liquidity tightening and rate rises that drove markets down last year.

We believe that the sharp rally in markets so far this year was justified following the big falls in Q4, when markets fell much more than the fundamentals had deteriorated, and by the critical change in policy by the Federal Reserve. Developments in major areas of uncertainty which have held back confidence and investment, notably US-China trade wars and Brexit, have turned decisively more positive in recent weeks, and although global growth has slowed it remains positive and leading indicators generally point to further, albeit modest, growth ahead. This should continue to support markets and further progress is likely during 2019. However, the immediate risks have not dissipated entirely and remain significant. These uncertainties are enough to keep investors nervous and to trigger bouts of volatility, especially following the sharp rise in markets over the past two months. Some period of consolidation is therefore quite likely, but we view the medium-term outlook as broadly positive.

Source: Bloomberg, Momentum Global Investment Management.

■ Risk warnings and important notes

Investment in the Fund may not be suitable for all investors and financial advice should be sought before proceeding with an investment. Past performance is not indicative of future returns and there can be no assurance that the performance of the Fund will achieve its stated objective. All performance is calculated on a total returns basis, net of all fees and commissions and in US dollar terms.

Collective investments are generally medium to long term investments and are traded at ruling prices. The value of the Fund and any income arising from it are not guaranteed and may fall, as well as rise, due to the value of its holdings, the income derived from them, and changes in interest rates. The Fund will hold shares or units in underlying funds which invest internationally, which will be exposed to exchange rate fluctuations, and may erode any potential gains.

Higher risk investments, such as small companies (even in developed markets), emerging markets, single country debt, equity funds, high yield and sub-investment grade debt may be more prone to sudden and larger falls in value in comparison to other investments. Unregulated funds may permit a greater degree of leverage than is permitted with regulated funds that are available to the general public in South Africa, which increases volatility and the risk of larger losses should the fund's value decrease.

The Fund may contain shares or units in underlying funds that do not permit dealing every day. It is not possible to immediately assess the proper market price of these investments, as they will only be realisable on their dealing days.

A fund of fund collective investment scheme only invests in other collective investments, which levy their own charges. The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and are subject to change thereby impacting the Fund's performance. Commissions and incentives may be paid and, if so, would be included in the overall costs. Deductions of charges and expenses mean that you may not get back the amount you invested.

Momentum Global Investment Management Limited is the Investment Manager, 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 also an authorised Financial Services Provider pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

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 a Class B Collective Investment Scheme 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 Balanced Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 46313.

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 pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

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

This document should be read in conjunction with the Prospectus of Momentum Mutual Fund ICC Limited and the Fund Supplement, in which all the current fees and expenses charged to the Fund are disclosed. For a detailed description of such fees and expenses, please refer to these Scheme Particulars which are available upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF.

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

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 and clients of the Distribution Partner. This document 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 Fund Manager.