MOMENTUM STERLING BALANCED FUND IC LIMITED

quarter ended 28 June 2019

Q2

Issue date 31-Jul-19

global investment management

Contents

1. Participatory interests and Net Asset Value

Class of Shares	Shares In Issue	Price Per Share	Total Net Asset Value
Share Class A	5,479,066.78	£ 1.7731	£ 9,715,162.43
Share Class B	139,107.54	£ 1.6973	£ 236,109.71

June 2019. Past performance is not indicative of future returns

2. Investment Policy & Objective

Investment Objective

The primary objective of the Cell 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 and property . As this portfolio has been designed for investors for whom Sterling is the base currency, typically two thirds of the portfolio will be held in Sterling based investments. The Cell is ideally suited to investors with a medium risk tolerance with an investment horizon of three years or longer.

Investment Policy

The investment objective is achieved through a diversified global portfolio that invests, primarily via other collective investment funds, across a broad range of asset classes and currencies in varying proportions over time. These classes include international equities, fixed income, property, money market instruments, commodities and mixed asset funds. The Cell may also invest in transferable securities which are classes of investments that are negotiable on a capital market such as (but not limited to) shares in companies or bond investments.

Subject to the provisions of the Rules and any associated regulatory guidance in relation to the prevention of double charging, the Cell may be invested in the units or shares of collective investment schemes which are managed or operated by the Manager, or the Investment Manager, or an associated company of the Manager.

The Cell may invest in forward foreign currency exchange contracts for hedging purposes.

3. Total Expense Ratio

The Total Expense Ratio (TER) is a measure of the total costs associated with managing and operating an investment fund. These costs consist primarily of management fees, custody fees, administration fees plus additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the Fund is divided by the Fund's total assets to arrive at a percentage amount, which represents the TER.

The size of the TER is important to investors, as the costs come out of the Fund, affecting investors' returns. For example, if a Fund generates a return of 5% for the year but has a TER of 2%, the 5% gain is diminished (to roughly 3%).

The TER of this Fund at the end of the quarter was;

Share Class A*

1.28 %

* TER: 1.28% - The Momentum Sterling Balanced ICC Fund has a Total Expense Ratio (TER) of 1.28%. The TER to 28 June 2019 is based on data for the period 28 June 2018 to 28 June 2019, 1.28% of the Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include transaction costs but these are reflected overleaf. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TERs.

Share Class B*

2.03 %

* TER: 2.03% - The Momentum Sterling Balanced ICC Fund has a Total Expense Ratio (TER) of 2.03%. The TER to 28 June 2019 is based on data for the period 28 June 2018 to 28 June 2019, 2.03% of the Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio. The ratio does not include transaction costs but these are reflected overleaf. A higher TER ratio does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER can not be regarded as an indication of future TERs.

A schedule of fees can be found in the Fund's scheme particulars and Minimum Disclosure Document, which can be obtained from the Manger's website www.momentum.co.gg

Past performance is not indicative of future returns.

4. Fund and index performance

	Performance to 28 June 2019										
Fund returns (GBP)	3 months	2018	2017	2016	2015	2014	2013	2012	2011	2010	2009
Momentum Sterling Balanced	2.8%	-1.8%	5.8%	15.3%	0.7%	3.8%	16.8%	9.3%	-3.2%	10.5%	16.3%
Composite benchmark[3]	3.7%	-3.4%	8.2%	19.3%	0.8%	8.7%	10.1%	8.5%	2.7%	12.4%	13.5%
Global equity[4]	6.1%	-3.8%	13.2%	28.7%	3.3%	10.6%	20.5%	11.4%	-6.8%	15.8%	15.9%
ICE BofAML Sterling Broad Market TR	1.6%	-0.1%	2.5%	11.1%	0.3%	14.5%	-2.9%	5.3%	16.2%	6.7%	2.0%
ICE BofAML Global Broad Market TR	5.8%	5.1%	-1.9%	21.6%	2.4%	7.1%	-3.8%	-0.5%	6.1%	7.1%	-5.0%
MSCI UK GBP	3.3%	-8.8%	11.7%	19.2%	-2.2%	0.5%	18.4%	10.2%	-3.4%	14.3%	27.2%

[3]30% MSCI AC World Index ex UK, 35% Citigroup Sterling WorldBIG, 5% Citigroup WorldBIG and 30% FTSE All Share

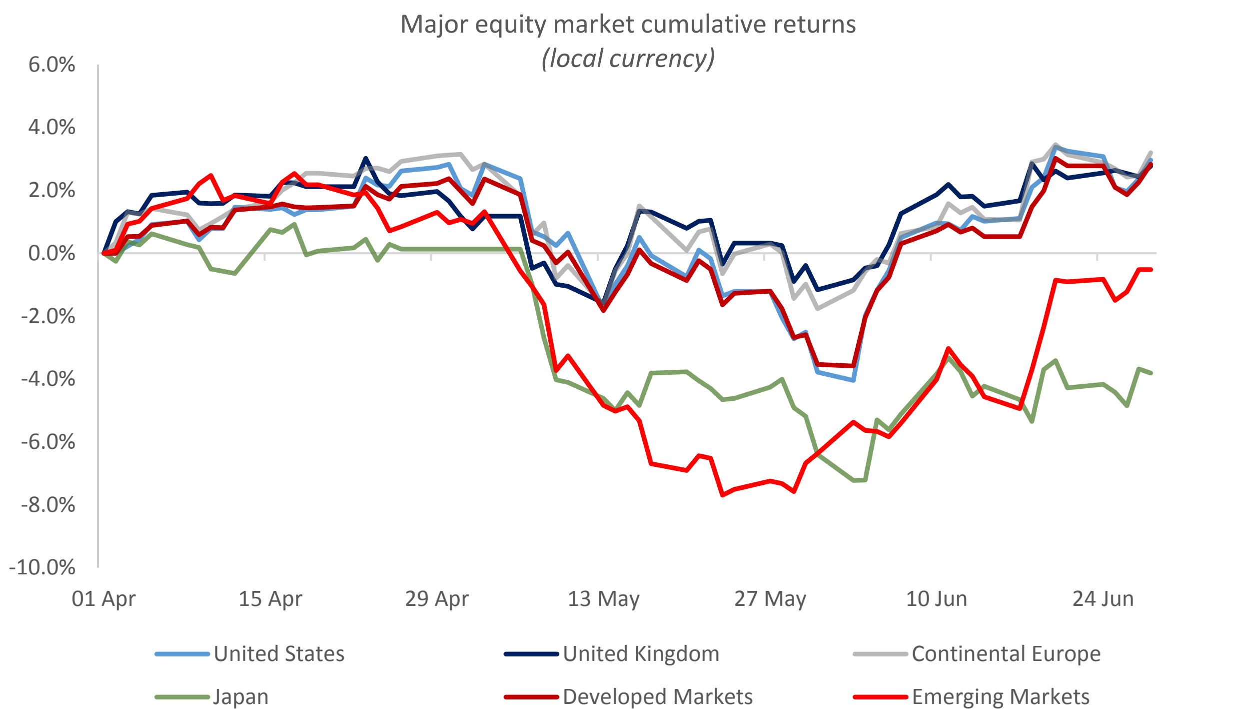
[4]The equity component of the fund benchmark changed from the MSCI AC World ex UK index to the MSCI AC World index on 1 April 2012

Source: Bloomberg; Morningstar, June 2019. ***Past performance is not indicative of future returns***

5. Market commentary

Despite a sell-off in May the quarter ended with Wall Street reaching new all-time highs, pulling the MSCI World index of developed markets to new highs as well. For the quarter the US and World markets returned 4.0%, taking the year to date returns to 18.0% and 17.0%, respectively.

Figure 1: Developed equities posted positive returns over the second quarter, despite the sell-off in May



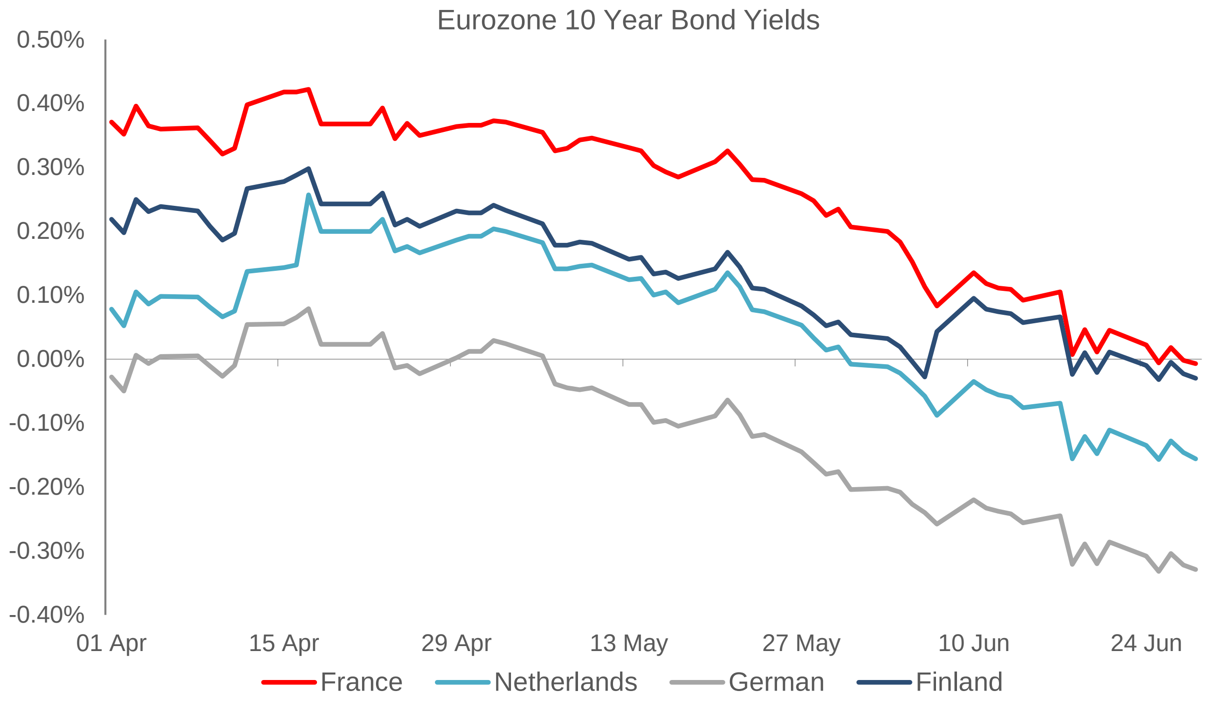
Source: Bloomberg, Momentum GIM. Returns in local currency terms

Yet arguably the most dramatic moves were in bonds, where interest rate expectations have been repriced substantially lower in the face of weakening growth, falling inflation and rising deflationary fears. Yields on 10 year US Treasuries fell by 40 basis points (bps) in Q2 to 2.0%, taking the fall to 70bps this year, and other government bond markets followed. In many major countries yields have fallen to all-time lows: in Germany, 10 year yields are -40bps, for the first time dropping below the ECB's deposit rate, with positive yields available only on maturities above 20 years. These are extraordinary moves given how low rates already were at the beginning of the year and have resulted in exceptional performance from bonds: global government bonds returned 3.5% in Q2 and 5.4% year to date, while in credit corporate, high yield and emerging market bonds all produced good returns in Q2, and of 10% or more so far this year.

In remarkably benign conditions, with nearly all asset classes up, it was notable that safe-haven assets also performed well, with gold up 9.0% in Q2 and the Japanese yen up by close to 3.0%. In part, this might reflect the deep uncertainty prevailing about the state of the global economy and geopolitics and in part the longer-term implications of the truly extraordinary conditions in bond markets, now with over $13tn of bonds trading at negative yields.

While Trump's trade policies and unpredictability continue to unnerve trading partners and investors, it was unquestionably the shift to much more dovish positions by the Fed and the ECB which was the driving force behind markets. The news flow on tariffs and trade was generally unhelpful; the deterioration in negotiations between the US and China, with Trump's sudden announcement of additional tariffs on imports from China, followed by the threat of tariffs on Mexico for the explicit political purpose of curbing the flow of illegal immigrants, spooked markets briefly but this was far outweighed by the substantial policy shift by central banks.

Figure 2: The yield on 10 Year government bonds across the eurozone continue to decline



Source: Bloomberg, Momentum GIM.

In what amounted to a U-turn in policy, the ECB surprised markets by announcing its readiness to provide additional stimulus, including further cuts in policy interest rates, if a sustained return to their inflation target is threatened. Given that inflation in the eurozone has remained resolutely well below the ECB target of 'close to 2%' since the financial crisis and is currently hovering around 1%, the implications are clear. The ECB followed this up by extending its forward guidance, committing to keep rates unchanged until mid-2020, combined with a further round of cheap funding to banks and the possibility of restarting its QE programme, on hold since the beginning of the year.

At the same time the Fed, which has become progressively more dovish since calling an end to its tightening programme in December last year, took a further step towards policy easing in the face of rising evidence of slower growth. It shifted its interest rate, inflation and growth expectations lower, with Chairman Powell noting that 'uncertainties about the outlook have increased' and committing to 'act as appropriate to sustain the expansion'. Markets priced in between 3 and 4 rate cuts over the next year, a dramatic change from expectations of little more than six months ago. Other central banks also eased policy: Australia cut rates and the Bank of England adopted a more dovish approach while warning of falling business and consumer confidence and the increasing threat of a no-deal Brexit.

Central banks are reacting to two critical developments. First, increasing evidence of a slowdown in growth, and second, a fall in inflation and perhaps, more importantly, inflation expectations. The slowdown in growth has to date been largely in manufacturing, with global trade hit by the US-China trade war and the key auto industry facing unprecedented disruption and falling sales. Manufacturing is in recession in Europe and slowing sharply elsewhere, and leading indicators point to a continuing tough environment. To date, the consumer and service sectors have held up well, but there have been signs recently that confidence is waning, increasing worries that a soft patch triggered by the downturn in manufacturing could become more widespread.

The drop-in inflation highlights the problem that central banks face. After a decade of ultra-loose policy inflation in most developed countries remains below central bank target rates. Indeed, inflation in the US, Europe and Japan has remained stubbornly below target rates throughout the post-crisis period despite the efforts of central banks to push it higher with unprecedented monetary largesse, and the spectre of deflation remains a worry in the Eurozone and Japan.

Despite the strong returns this year, and the powerful support to valuations from low inflation and exceptionally low interest rates, uncertainty remains high. Aside from the slowdown in growth, the unfolding trade wars and the negative impact on corporate earnings, other concerns, each with the potential to damage confidence and growth and to disrupt markets, continue to worry investors.

With the demise of the disastrous premiership of Theresa May, the UK will have a new Prime Minister within days. Boris Johnson is the near-certain winner, and his intent to fulfil Brexit and take the UK out of the EU by the deadline of 31st October, with or without a deal, has increased the risk of a no deal exit materially and with it the prospect of some short-term disruption to trade between the UK and EU. Sterling is already reflecting this possibility, having slipped to a two year low against the dollar, but further weakness is likely as the ramifications of the change in leadership are fully absorbed. Sterling assets carry a sizeable Brexit discount and offer the possibility of a sharp rebound once the current uncertainty is lifted.

Elsewhere in Europe the Italian budget dispute with the EU reached a short-term compromise solution but leaves open substantial longer-term problems. Without great substance underlying it, the populist Italian government agreed to restrain its fiscal deficit to 2% of GDP, enabling the EU to back off from disciplinary action. The ensuing rally in Italian assets took bond yields down by 100bps and led to Italian equities and bonds were among the best performing assets in the quarter. Yet, with debt to GDP of 130% and an economy which has hardly grown since Italy joined the euro 20 years ago, this is a problem which has been kicked down the road and will come back to haunt investors in due course. A broader but related malaise in the Eurozone is reflected in the weak state of its banking industry. Share prices of banks across the Euro area fell sharply in recent weeks, taking the banking index back to its crisis lows in 2008/9.

The US-Iran dispute, which has been rumbling on since the US withdrew from the nuclear deal, deteriorated materially, with attacks on oil tankers in the Gulf, thought to be the work of Iran, and increasingly hard-line tactics by both Iran and the US. This supported the oil price, as did the extension of production curbs by Russia and Saudi Arabia but could not prevent some slippage in the price over the second quarter, after the sharp rise in the preceding quarter.

Some caution then is warranted in the short term. Equity and bond markets have risen sharply this year, driven by the prospect of easier financial conditions, and valuations have become stretched in some areas, notably in fixed income. Yet the economic backdrop has deteriorated, corporate earnings are under pressure especially in sectors most exposed to manufacturing, and markets are largely discounting sizeable policy easing by central banks in coming months.

However, while trade and manufacturing have been weak, the key service sector has remained firm, employment has been strong and the consumer is generally in good shape. There are no signs of systemic financial problems and an ensuing liquidity crunch nor of capacity shortages, inflation and a sudden tightening of policy. With inflation subdued central banks have considerable flexibility in keeping policy ultra-loose for much longer, thereby extending this extraordinary cycle.

Furthermore, the extent of the falls in government bond yields and the impact on financial conditions and valuations of other markets should not be under-estimated: US bond yields have fallen by over 100bps since late 2018. This provides a strong underpinning to equities and other risk assets, offsetting the more challenging conditions faced by the corporate sector after last year's benign backdrop.

While some consolidation is overdue we, therefore, believe that the cycle has further to run and any falls in markets will give rise to opportunities to add to risk assets, while at all times maintaining careful diversification in portfolios to provide protection during inevitable shorter-term setbacks.

Source: Bloomberg, June 2019. Returns in US dollars unless otherwise stated. **Past performance is not indicative of future returns**

6. Market performance

Asset class/region	Index	To 28 June 2019			
		Local currency	Quarter	Year-to-date	12 months
Developed markets equities					
United States	S&P 500 NR	USD	4.1%	18.2%	9.8%
United Kingdom	MSCI UK NR	GBP	3.3%	13.0%	1.6%
Continental Europe	MSCI Europe ex UK NR	EUR	4.3%	17.3%	6.0%
Japan	Topix TR	JPY	-2.4%	5.2%	-8.2%
Asia Pacific (ex Japan)	MSCI AC Asia Pacific ex Japan NR	USD	0.7%	12.2%	0.8%
Global	MSCI World NR	USD	4.0%	17.0%	6.3%
Emerging markets equities					
Emerging Europe	MSCI EM Europe NR	USD	11.7%	20.2%	15.6%
Emerging Asia	MSCI EM Asia NR	USD	-1.2%	9.7%	-2.3%
Emerging Latin America	MSCI EM Latin America NR	USD	4.4%	12.6%	18.4%
BRICs	MSCI BRIC NR	USD	-0.2%	13.7%	3.3%
Global emerging markets	MSCI Emerging Markets NR	USD	0.6%	10.6%	1.2%
Bonds					
US Treasuries	JP Morgan United States Government Bond TR	USD	3.1%	5.4%	7.5%
US Treasuries (inflation protected)	BBgBarc US Government Inflation Linked TR	USD	3.0%	6.4%	4.9%
US Corporate (investment grade)	BBgBarc US Corporate Investment Grade TR	USD	4.5%	9.9%	10.7%
US High Yield	BBgBarc US High Yield 2% Issuer Cap TR	USD	2.5%	9.9%	7.5%
UK Gilts	JP Morgan UK Government Bond TR	GBP	1.4%	5.0%	5.2%
UK Corporate (investment grade)	ICE BofAML Sterling Non-Gilt TR	GBP	2.0%	6.3%	6.0%
Euro Government Bonds	ICE BofAML Euro Government TR	EUR	3.4%	6.0%	6.5%
Euro Corporate (investment grade)	BBgBarc Euro Aggregate Corporate TR	EUR	2.2%	5.4%	4.8%
Euro High Yield	BBgBarc European High Yield 3% Constrained TR	EUR	2.4%	7.8%	5.6%
Japanese Government	JP Morgan Japan Government Bond TR	JPY	1.2%	2.9%	3.3%
Australian Government	JP Morgan Australia GBI TR	AUD	3.6%	7.8%	11.5%
Global Government Bonds	JP Morgan Global GBI	USD	3.5%	5.4%	5.7%
Global Bonds	ICE BofAML Global Broad Market	USD	3.4%	5.7%	6.0%
Global Convertible Bonds	ICE BofAML Global Convertibles	USD	3.2%	11.3%	4.4%
Emerging Market Bonds	JP Morgan EMBI+ (Hard currency)	USD	4.4%	10.8%	11.7%

Source: Bloomberg. June 2019. **Past performance is not indicative of future returns.**

		To 28 June 2019			
Asset class/region	Index	Local currency	3 months	Year-to-date	12 months
Property					
US Property Securities	MSCI US REIT NR	USD	2.3%	-0.2%[e]	3.7%
Australian Property Securities	S&P/ASX 200 A-REIT Index TR	AUD	2.4%	16.7%	13.9%
Asia Property Securities	S&P Asia Property 40 Index NR	USD	-2.2%	12.7%	9.8%
Global Property Securities	S&P Global Property USD TR	USD	0.4%	15.0%	7.9%
Currencies					
Euro		USD	1.4%	-0.8%	-2.7%
UK Pound Sterling		USD	-2.6%	-0.5%	-3.9%
Japanese Yen		USD	2.7%	1.6%	2.6%
Australian Dollar		USD	-1.1%	-0.4%	-5.2%
South African Rand		USD	2.9%	2.0%	-2.6%
Commodities & Alternatives					
Commodities	RICI TR	USD	-1.3%	8.0%	-7.2%
Agricultural Commodities	RICI Agriculture TR	USD	1.0%	-0.8%	-6.1%
Oil	Brent Crude Oil	USD	-2.7%	23.7%	-16.2%
Gold	Gold Spot	USD	9.1%	9.9%	12.5%
Hedge funds	HFRX Global Hedge Fund	USD	1.4%	4.1%	-2.1%

Source: Bloomberg. June 2019.

Past performance is not indicative of future returns.

Momentum Sterling Balanced Fund

Despite a sell-off in May, with global equities falling 4% peak to trough in sterling terms, the quarter ended with Wall Street reaching new all-time highs, pulling the MSCI World index of developed markets to new highs as well.

UK equities returned 3.3% over the quarter while developed markets added 6.1%, but the most dramatic moves were in bonds, where interest rate expectations repriced substantially lower in the face of weakening growth, falling inflation and rising deflationary fears.

Yields on 10 year US Treasuries fell by 40bps over the quarter to 2% and other government bond markets followed suit. In Germany 10 year yields are now -40bps, dropping below the ECB's deposit rate for the first time ever, with positive yields available only on maturities above 20 years. These are extraordinary moves given how low rates already were at the beginning of the year.

Against this backdrop the Momentum Sterling Balanced Fund returned 2.8% over the quarter. Our gold positions performed well, as gold prices rallied by 9% (11.6% in sterling terms, after the pound slipped to 1.27 against the dollar). The key detractor was manager selection within equities. Equity manager selection has been a detractor over 12 months, along with regional positioning within equity and our bias towards EMEA and away from the US stock market. We expect both of these themes to reverse and have not locked-in significant amounts of this underperformance through turning-over the portfolio unnecessarily.

While equity investment styles have dovetailed, with Value underperforming while Growth and Quality styles have outperformed, the extent of the underperformance of our Value managers has more than offset the positive contributions from our other managers. Key detractors amongst our Value managers include Contrarius, Hotchkis & Wiley and Schroders.

The Momentum Sterling Balanced Fund has returned +6.8% per annum over the past 3 years, net of all fees. For comparison, an investment in short term cash would have returned approximately 0.8%, while sterling bonds have returned 2.6%. Hence 6.8% per annum is a reasonable outcome and places the fund in the second quartile relative to peers.

Global equity markets have performed strongly this year. Underlying company earnings have not kept pace with the result that valuations – for example oft used measures like the price-to-earnings ratio – have increased. However, the equity risk premium – what one stands to earn over and above cash and bonds – is still reasonable. As such we retain a reasonable allocation to global equities in the fund, with a bias towards EMEA, where pricing is less demanding currently.

Within equities we continue to like the profile of listed infrastructure and our preferred manager, Maple Brown Abbot has performed reasonably well thus far in 2019. We have a lower exposure to some of the technology names that have run the hardest and a higher exposure to some areas that have been under pressure, like retail (selectively chosen) and energy shares.

We remain underweight government bonds, where yields are unattractive. Where we do own government bonds we remain heavily biased to the US where there is scope for yields to move lower and thus drive the price of the bonds we own higher. We also have an allocation to inflation linked bonds, given that markets are currently disregarding the chance of any inflation for the foreseeable future: we think this outcome carries a low but nonetheless higher attendant probability than the rest of the market.

We think the opportunity in short duration high yield, short duration emerging market debt and loans remains attractive. We participated in the latest capital raise by Sequioa, a specialist funder of infrastructure projects predominantly in Europe and the US, during June.

We also retain an allocation to gold, which looks fair value in inflation-adjusted terms and relative to other asset prices, and offers a key hedge in these times of extraordinary monetary policy.

Despite the strong returns this year, and the powerful support to valuations from low inflation and exceptionally low interest rates, uncertainty remains high. Aside from the slowdown in growth, the unfolding trade wars and the negative impact on corporate earnings, other concerns – including a no deal Brexit, the Italian debt/budgetary issue and the US-Iran nuclear deal dispute – continue to worry investors.

Equity and bond markets have risen sharply this year, driven by the prospect of easier financial conditions, yet the economic backdrop has deteriorated and corporate earnings are under pressure, especially in sectors most exposed to manufacturing.

However, while trade and manufacturing have been weak, the key service sector has remained firm, employment has been strong and the consumer is generally in good shape. Furthermore, the extent of the falls in government bond yields provides a strong underpinning to equities and other risk assets.

While some consolidation is overdue we therefore believe that the cycle has further to run and any falls in markets will give rise to opportunities to add to risk assets, while at all times maintaining careful diversification in portfolios to provide protection during inevitable shorter term setbacks.

Source: Bloomberg /Morningstar. Returns in US dollars unless otherwise stated, June 2019. **Past performance is not indicative of future returns.**

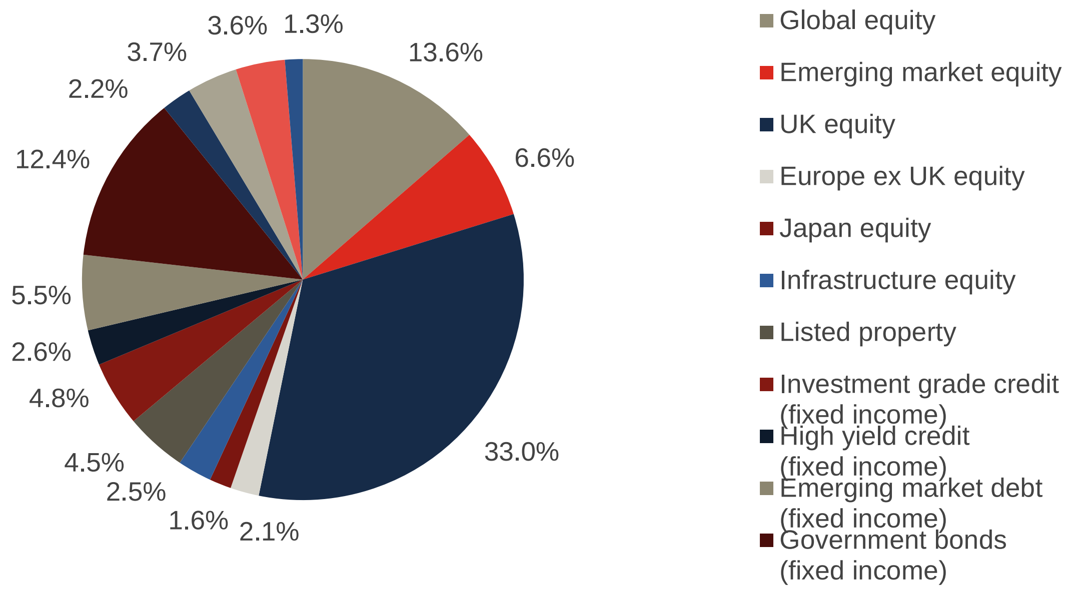
8. Top ten holdings

Sterling Balanced positions June 2019			
	Security	Asset class	Weight
1	iShares FTSE 100	Equity	11.3%
1	US Treasury Bonds	Fixed Income	8.1%
1	Schroder UK Recovery	Equity	7.9%
1	RWC Income Opportunities (GBP hedged)	Equity	7.1%
1	Evenlode Income	Equity	6.7%
1	iShares Emerging Markets Index	Equity	4.8%
1	iShares £ Corporate Bond 0-5yr	Fixed Income	4.8%
1	UK Gilt 1% 22/04/2024	Fixed Income	4.3%
1	US TIPS	Fixed Income	3.7%
1	iShares JPMorgan $ Emerging Markets Bond ETF	Fixed Income	3.4%
	Total		**62.1%**

Source: Momentum Global Investment Management, June 2019. ***Past performance is not indicative of future returns.***

9. Fund exposures

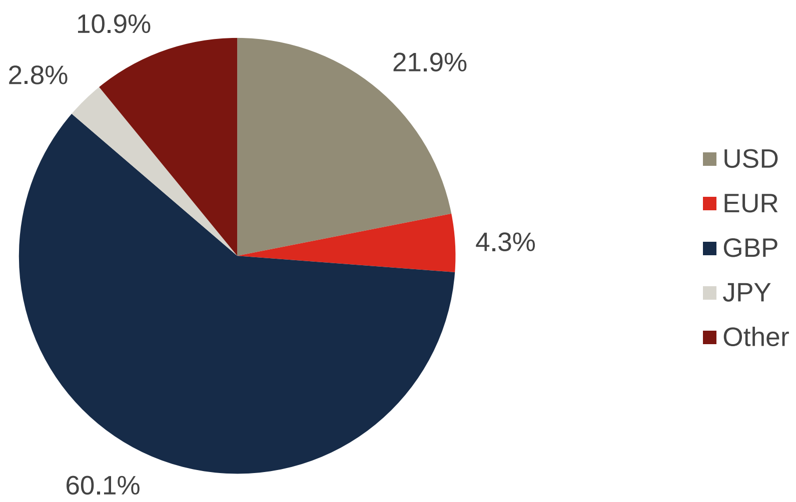
Asset Allocation



Source: Momentum Global Investment Management, June 2019.

Past performance is not indicative of future returns.

Currency Allocation



Source: Momentum Global Investment Management, June 2019.

Past performance is not indicative of future returns.

10. Directory

Registered Office:
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Guernsey, GY1 3QL
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Investment Manager:
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Custodian:
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Administrator, Secretary & Registrar:
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Channel Islands

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.

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 Sterling Balanced Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 46314.

Momentum Sterling Balanced 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.

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