

Momentum Sterling Balanced Fund - Class A GBP

Fund data for the month ending 31 December 2020

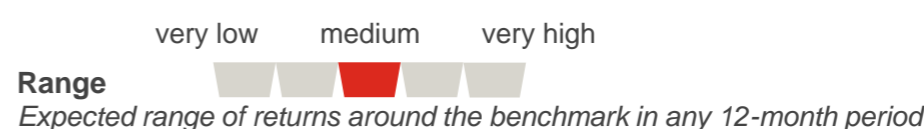
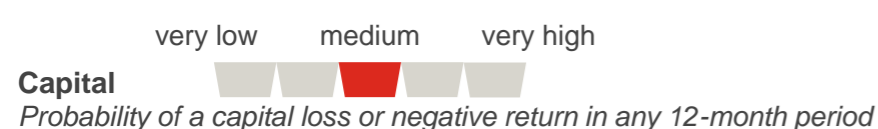
Fund details*

Manager: Momentum Wealth International Limited	Investment manager: Momentum Global Investment Management	Investment advisor: Celerity Investments (Pty) Limited	Currency: GBP
Custodian: Northern Trust (Guernsey) Limited	Minimum subscription: USD 7,500 (Sterling equivalent)	Inception date (investment strategy): 31 December 2005	Inception date (fund): 18 April 2007
Subscriptions / redemptions: daily	Valuation point: 11:00pm (Guernsey time) on the relevant Dealing Day	Initial fee: none	Financial year-end TER**: 1.22%
Income distribution: Accumulating, income received is not distributed	Fund size: GBP 10.6 million	Price per share (as at 31 Dec 2020): GBP 1.7821	TER**: 1.22%
Benchmark: 30% MSCI UK, 30% MSCI AC World, 35% ICE BofA Sterling Broad Market, 5% ICE BofA Global Broad Market			Investment timeframe: 3 years +
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.			ASISA sector: Fund of funds
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.			

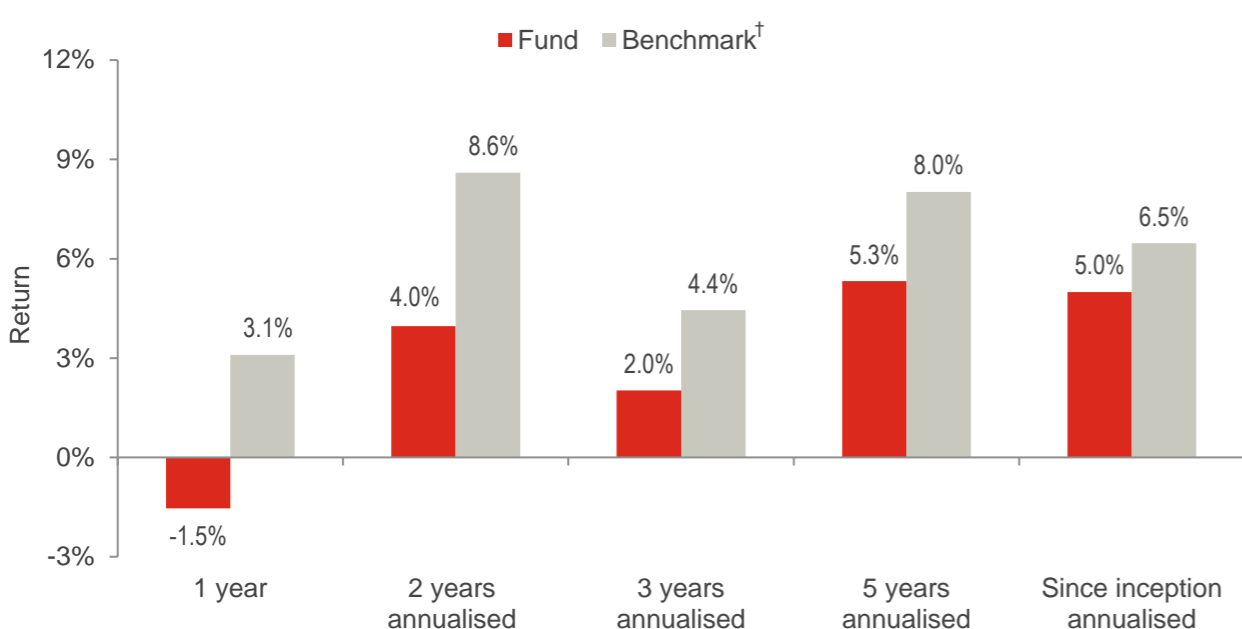
Up to date Fund prices per share are available on www.morningstar.co.za or upon request from the Manager or Administrator.

Investment objective

The 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 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 Fund is ideally suited to investors with a medium risk tolerance with an investment horizon of three years or longer.



Fund performance



Cumulative returns

Year	Highest performance	Lowest performance	Cumulative performance
2006	+3.6% (Mar 2006)	-5.0% (May 2006)	+11.6%
2007	+2.3% (May 2007)	-2.3% (Jul 2007)	+4.4%
2008	+4.9% (Dec 2008)	-7.4% (Oct 2008)	-17.1%
2009	+4.9% (Aug 2009)	-4.2% (Jan 2009)	+16.3%
2010	+4.8% (Sep 2010)	-4.2% (May 2010)	+10.5%
2011	+2.7% (Oct 2011)	-4.8% (Aug 2011)	-3.2%
2012	+3.2% (Feb 2012)	-2.9% (May 2012)	+9.3%
2013	+4.8% (Jan 2013)	-2.1% (Jun 2013)	+16.8%
2014	+3.3% (Nov 2014)	-0.9% (Dec 2014)	+3.8%
2015	+4.0% (Oct 2015)	-3.4% (Jun 2015)	+0.7%
2016	+4.3% (Jul 2016)	-2.6% (Jan 2016)	+15.3%
2017	+2.3% (May 2017)	-1.7% (Sep 2017)	+5.8%
2018	+3.2% (Apr 2018)	-3.1% (Oct 2018)	-1.8%
2019	+2.6% (Jun 2019)	-1.9% (Aug 2019)	+9.8%
Since inception	+7.1% (Nov 2020)	-12.7% (Mar 2020)	+107.7%

† The benchmark for performance comparison provided in this document comprised: (1) 30% MSCI UK, 30% MSCI World ex-UK, 35% FTSE UK Sterling WorldBIG, 5% FTSE WorldBIG prior to 01.08.11; (2) 30% MSCI UK, 30% MSCI AC World ex UK, 35% FTSE UK Sterling WorldBIG, 5% FTSE WorldBIG between 01.08.11 and 31.03.12. With effect from 01.09.13 the 30% allocation in the FTSE All Share index was replaced with the MSCI UK index. This has been applied retrospectively. In addition, with effect from 01.07.18, the 5% allocation in the FTSE WorldBIG index was replaced with the ICE BofA Global Broad Market index and the 35% allocation in the FTSE UK Sterling WorldBIG index was replaced with the ICE BofA Sterling Broad Market index. This has not been applied retrospectively. Replacement indices have had similar returns since the inception of the Fund and the changes have no significant impact on performance comparison.

Source: Morningstar, Lipper Hindsight, 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 pound sterling 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. Since inception figures are since the inception of the investment strategy.

Top holdings

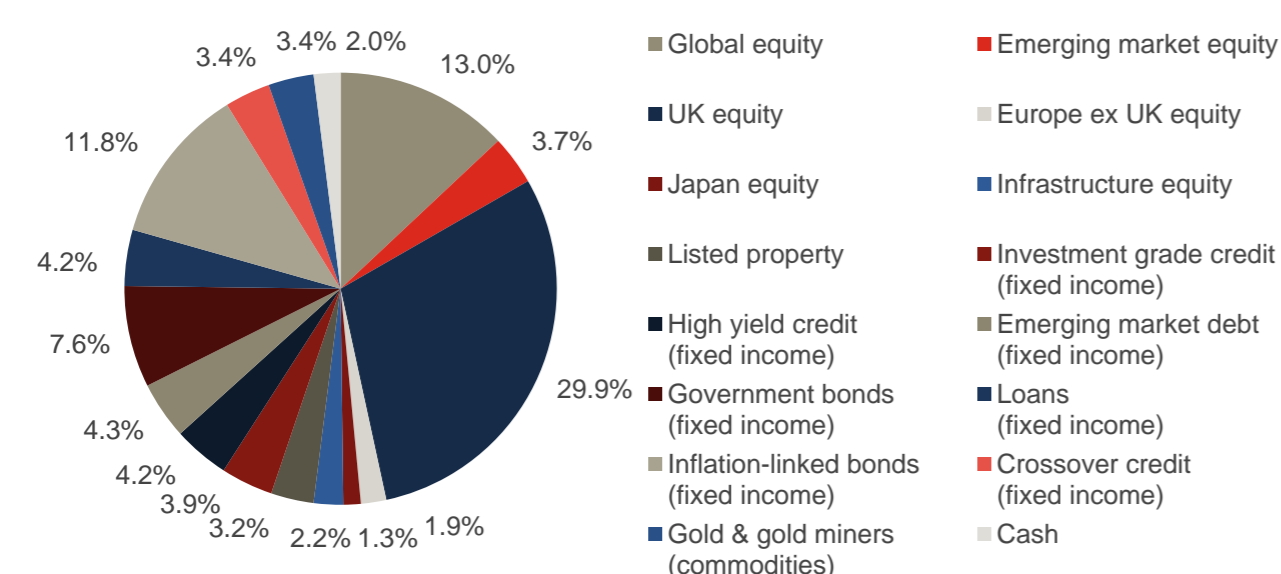
Holdings	Asset type	Weight
¹ US TIPS	Fixed Income	11.8%
¹ TB Evenlode Income	Equity	8.0%
¹ iShares FTSE 100	Equity	7.7%
² Robeco Multi-Factor Global Equity	Equity	6.3%
¹ iShares FTSE 250 ETF	Equity	5.2%
¹ Schroder UK Recovery	Equity	4.8%
¹ AXA US Short Duration High Yield	Fixed Income	4.3%
¹ RWC Income Opportunities	Equity	4.2%
¹ Sequoia Economic Infrastructure Income	Fixed Income	4.2%
¹ UK Gilts	Fixed Income	4.1%

¹ Direct holding ² Indirectly held in the Momentum GF Global Equity Fund.
Source: Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

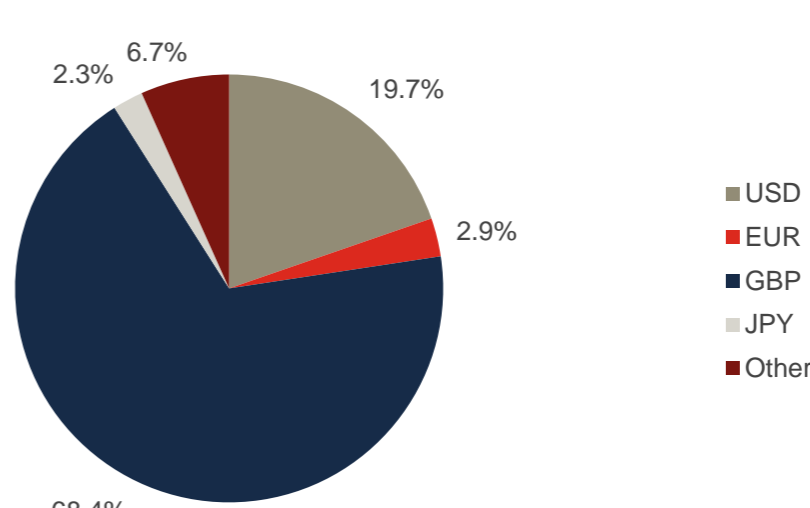
Investment statistics (since investment strategy inception)

Cumulative return:	107.7%
Annualised return:	5.0%
Annualised volatility:	8.6%

Current asset allocation***



Currency allocation



Source: Momentum Global Investment Management Limited, 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.

** 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 30 September 2020 is based on data for the period from 30 September 2019 to 30 September 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.

*** 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

Markets continued to rally in the final month of what has been an extraordinary year, spurred on by optimism around the vaccine rollout and a last-minute Brexit trade deal. However, coronavirus cases rose sharply in much of the world, especially Europe, triggering renewed restrictions and fuelling fears of further economic damage to come in the short term.

In classic EU style, the Brexit negotiations came down to the wire, but in the event Prime Minister Johnson confounded the doomsayers by delivering a trade deal free of tariffs and quotas while restoring sovereignty and taking the UK out of the jurisdiction of the European Court of Justice.

Stock markets again delivered strong monthly gains, with the key US equity market rising to all-time highs. While risks remain, particularly around the effectiveness of vaccines, the deep uncertainties which beset 2020 have lifted substantially as we enter the new year.

Emerging markets returned 5.0% in December in GBP terms. Meanwhile developed markets, measured by the MSCI World index, returned 2.0%, led by Asia Pacific ex Japan and the UK, with gains of 4.3% and 3.0% respectively. The laggards were the USA and Japan, returning 1.5% and 2.1% respectively.

Global bond markets rose overall in December, as measured by the Bank of America Merrill Lynch Global Broad Market index, with gilts returning 1.7% and UK corporate investment grade bonds posting a 1.5% return.

With the substantial reduction in uncertainty delivered by the vaccine news and Brexit deal, the prospects for 2021, both in terms of a strong economic recovery and further progress in equity markets, have improved significantly. However, our optimism should be tempered by certain risks and uncertainties. The roll-out and efficacy of the vaccines; the huge public debt overhang; longer term inflationary concerns; all point to the likelihood of bumps along the way as we navigate through what we hope to be the final stages of the pandemic. As ever, true portfolio diversification will be the best way to mitigate these risks and enhance returns, and most importantly it will be vital to stay invested; the highly promising prospects for 2021 should reward investors and we see setbacks in the weeks ahead as a good buying opportunity.

Source: Bloomberg, Momentum Global Investment Management. All returns in GBP, unless stated otherwise.

■ Fees applicable to Class A participating shares

Management and administration fee:		Investment management fee:	Investment advisor fee:	Other applicable fees:
NAV of the Fund	Fee (per annum)	0.40% per annum	0.10% per annum	Custody fees (per annum):
Up to GBP 20m	0.30%		paid out of the investment management fee	Up to GBP 20m 0.05%
From GBP 20m to GBP 40m	0.25%			From GBP 20m to GBP 40m 0.04%
Over GBP 40m	0.20%			From GBP 40m to GBP 70m 0.03%
subject to a minimum of USD 22,000 (or currency equivalent) per annum				Over GBP 70m 0.02%
Performance fees are not applicable to this Fund				subject to a minimum of GBP 5,000 per annum. (Custodian fee per transaction: USD 25)
				Distribution fees: 0.00%
				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.

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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