

# Momentum Global Balanced Fund (Class A)

Month ended 31 January 2023

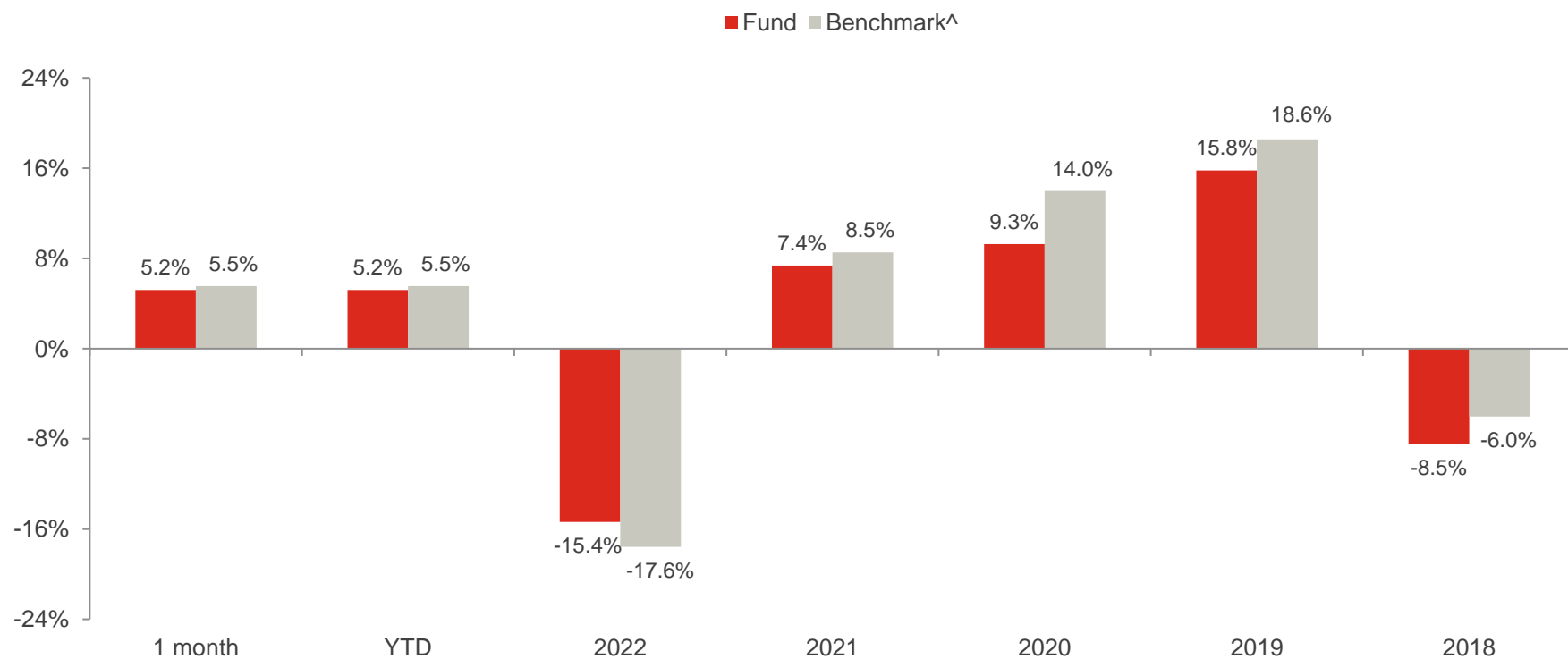
## Fund details

Investment manager: <b>Momentum Global Investment Management</b>	Investment timeframe: <b>3 years+</b>	Currency: <b>USD</b>
Minimum subscription: <b>USD 7,500</b>	Subscriptions / redemptions: <b>daily</b>	Initial fee: <b>none</b>
Inception date (investment strategy): <b>30 September 2004</b>	Inception date (fund): <b>18 April 2007</b>	Price per share: <b>USD 1.5556</b>
Benchmark: <b>60% MSCI AC World, 40% ICE BofA Global Broad Market</b>		

## 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 WorldBIG index was replaced with the ICE BofA Global Broad Market index. This has not been applied retrospectively.

## Top holdings

Holdings	Asset type	Weight
<sup>2</sup> Robeco Multi-Factor Global Equity	Equity	20.4%
<sup>1</sup> US TIPS	Fixed Income	9.1%
<sup>2</sup> Morgan Stanley Global Sustain	Equity	6.2%
<sup>1</sup> Morant Wright Fuji Yield	Equity	5.2%
<sup>2</sup> Jennison Global Equity Opportunities	Equity	4.4%
<sup>1</sup> iShares US Corporate Bond Index	Fixed Income	3.5%
<sup>1</sup> iShares Physical Gold ETC	Commodities	3.2%
<sup>1</sup> Momentum GF Global Emerging Markets Equity	Equity	3.1%
<sup>1</sup> Neuberger Berman Uncorrelated Strategies	Alternatives	3.1%
<sup>1</sup> Schroder UK Recovery	Equity	2.8%

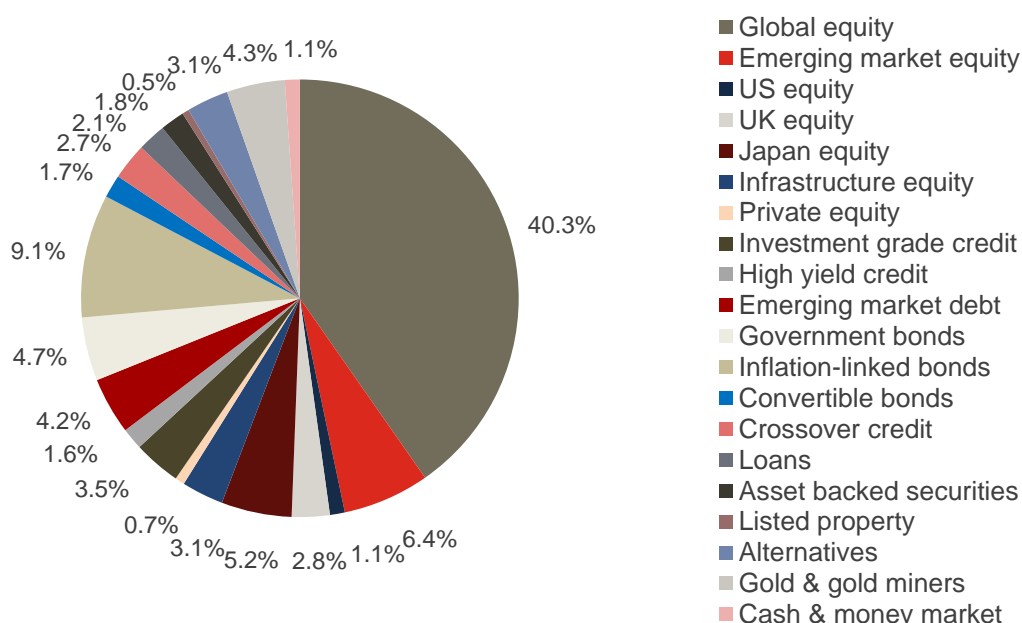
<sup>1</sup> Direct holding

<sup>2</sup> Indirectly held in the Momentum GF Global Equity Fund

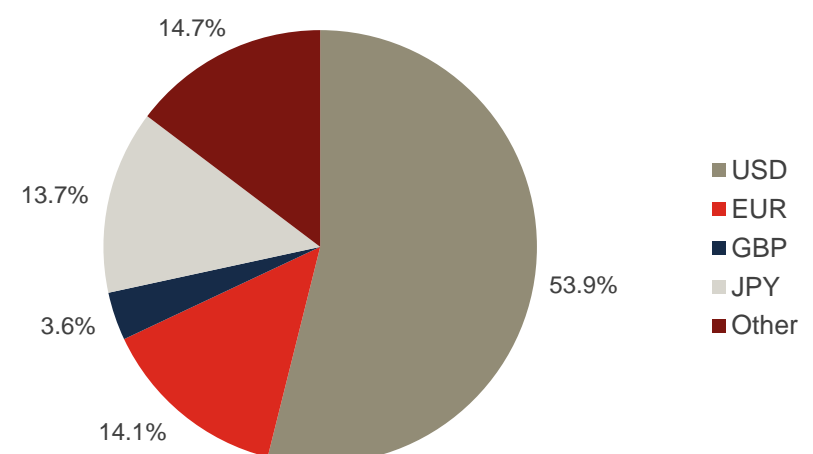
## Investment statistics (since investment strategy inception)

Current month return:	5.2%
Cumulative return:	129.3%
Annualised return:	4.6%
Annualised volatility:	11.0%

## 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.

## ■ Market commentary

Following a bruising year for investors in 2022, markets opened 2023 in much better spirits. Growing confidence that inflation in the US and Europe has peaked, with data showing both consumer and producer prices coming in below expectations, boosted markets. Risks remain around inflation, particularly the tightness of the labour market and resulting upward pressure on wages, but the Fed's resolve to bring inflation sustainably down to 2% is undiminished, even at the cost of a significant slowdown in the economy.

Optimism around peak inflation, peak interest rates and a soft-landing for the economy, which has been building since October, has been helped by two other developments in recent weeks. Europe, the epicentre of the energy crisis last year due to its dependency on Russian gas supplies, has seen dramatic falls in natural gas prices. The second key development was China's abrupt move to lift all Covid restrictions late last year. After a very poor period for the Chinese economy and stock market, there are now well-founded expectations of a sizeable recovery in growth this year as pent-up demand and huge savings built up during almost three years of lockdowns are released. The encouraging developments in Europe and China have boosted confidence in these regions, with leading indicators picking up, albeit from low levels, data releases exceeding expectations, and financial markets recovering sharply.

Developed markets, measured by the MSCI World index, returned 7.1% over the month, with the US returning 6.3% while the UK returned 4.5% in local currency terms. Emerging markets rose 7.9% in local terms. Bond markets returned 3.1% in January, as measured by the Bank of America Merrill Lynch Global Broad Market index, with US Treasuries returning 2.3%.

However, there is a risk that markets are getting ahead of themselves in the shorter term with potentially over-optimistic expectations for a soft landing in the economy and an early end to the monetary tightening cycle. We anticipate a much better year for markets this year than last, but believe it is prudent to temper that optimism in the short term given the recovery in markets and the extent of the economic slowdown ahead, the corporate earnings out-turn, and the risk of policy missteps. We are therefore maintaining our current positions in portfolios and seeking to add to risk assets as and when opportunities are presented during the periods of weakness which might well come along in coming months.

Source: Bloomberg Finance LP, 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.

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Momentum Global Balanced Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 46313.

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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.

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