

Momentum Global Balanced Fund (Class A)

Month ended 30 September 2021

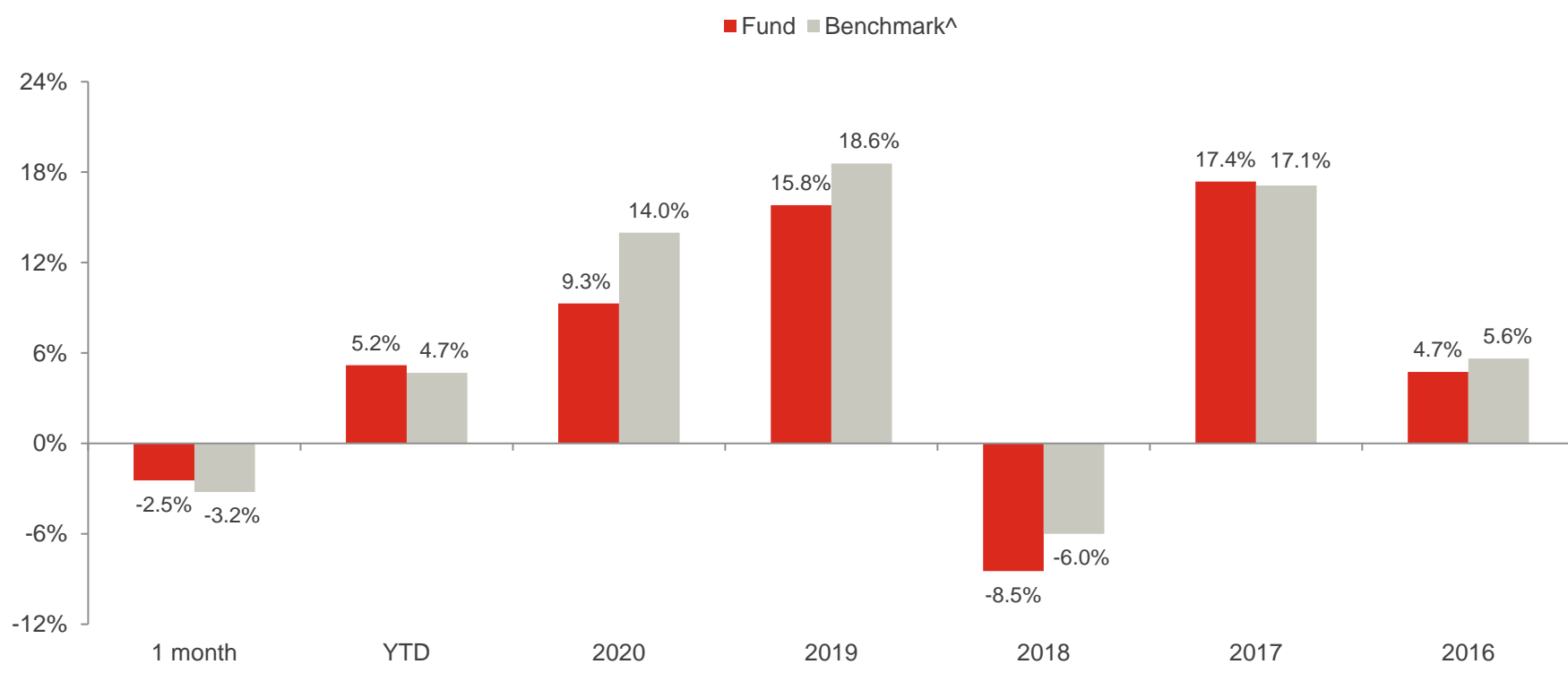
Fund details*

Investment manager: Momentum Global Investment Management	Investment timeframe: 3 years+	Currency: USD
Minimum subscription: USD 7,500	Subscriptions / redemptions: daily	Initial fee: none
Inception date (investment strategy): 30 September 2004	Inception date (fund): 18 April 2007	Price per share: USD 1.7117
Benchmark: 60% MSCI AC World, 40% ICE BofA Global Broad Market		

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
² Robeco Multi-Factor Global Equity	Equity	19.6%
¹ US TIPS	Fixed Income	8.1%
¹ Momentum IF Global Emerging Markets	Equity	6.8%
¹ Maple-Brown Abbott Global Infrastructure	Equity	4.9%
² Morgan Stanley Global Sustain	Equity	4.7%
¹ Aviva Global Convertibles	Fixed Income	4.7%
² Jennison Global Equity Opportunities	Equity	4.3%
¹ Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	3.6%
¹ Neuberger Berman Uncorrelated Strategies	Alternatives	3.6%
¹ Schroder UK Recovery	Equity	3.1%

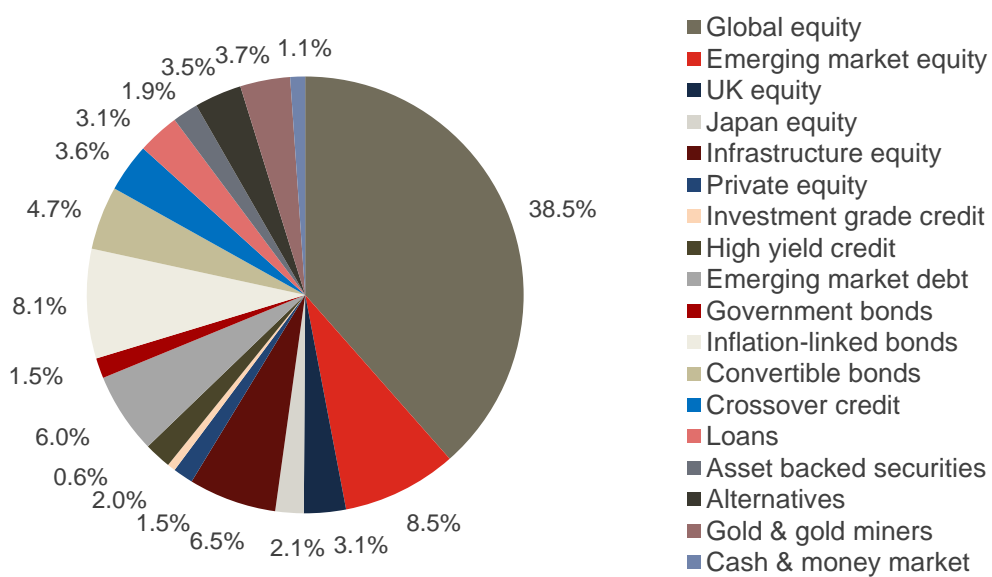
¹ Direct holding

² Indirectly held in the Momentum GF Global Equity Fund

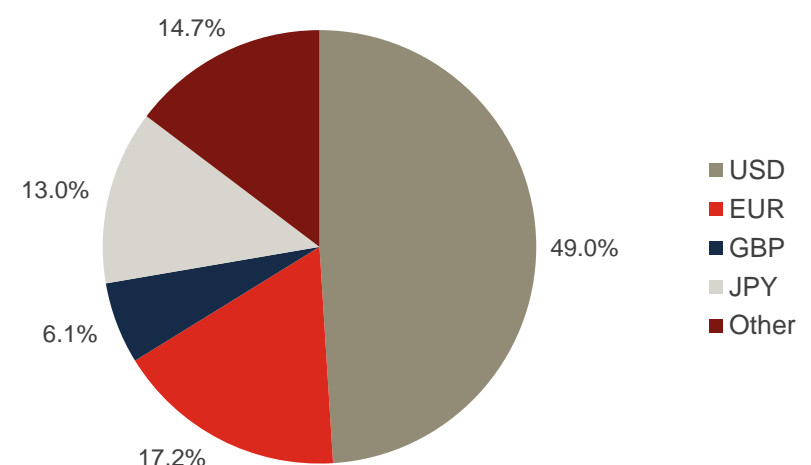
Investment statistics (since investment strategy inception)

Current month return:	-2.5%
Cumulative return:	152.3%
Annualised return:	5.6%
Annualised volatility:	10.7%

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

In the face of strengthening and broadening headwinds, the unbroken run of seven months of gains in equities came to an abrupt halt in September, with the MSCI World index wiping out all the gains of the preceding two months. The possibility of a more sustained rise in inflation remains the key risk for markets in coming months. While the major central banks continue to see the rise as transitory, they have become more hawkish and expect the inflation surge to continue for longer than previously anticipated.

Investors have been given much to worry about in recent weeks. The peak rate of growth after the surge following the end of Covid lockdowns is behind us; supply chain constraints are impeding growth and proving to be more persistent and damaging than previously expected; and rises in energy prices are leading to concerns that the rise in inflation we have seen will be stickier and more persistent than previously forecast, as well as directly impacting household disposable incomes and corporate profit margins. The US debt ceiling and fiscal spending package negotiations are going to the wire and unnerving investors, while in China the fallout from the regulatory clampdown this year and the shake out in the property sector are damaging to growth in the world's second largest economy.

Developed markets, measured by the MSCI World index, returned -4.2% over the month, with the UK and US returning 0.1% and -4.7% respectively. Emerging markets fell -4.0% in local terms.

Bond markets returned -1.8% in September, as measured by the Bank of America Merrill Lynch Global Broad Market index, with US Treasuries and US corporate investment grade bonds both returning -1.1%, compared US high yield bonds producing a flat return over the month.

A correction has been overdue, and it could continue in the short term. We have been flagging for several months our belief that returns will be harder to come by in the months ahead, but we remain broadly constructive about risk assets. We should be prepared for some periods of volatility, but we believe we are in a long market cycle and with patience and true diversification investors will be well rewarded in the year ahead. We would therefore view any further sharp falls in markets as an opportunity to add risk to portfolios.

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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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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