

Momentum Global Balanced Fund (Class A)

Month ended 31 December 2020

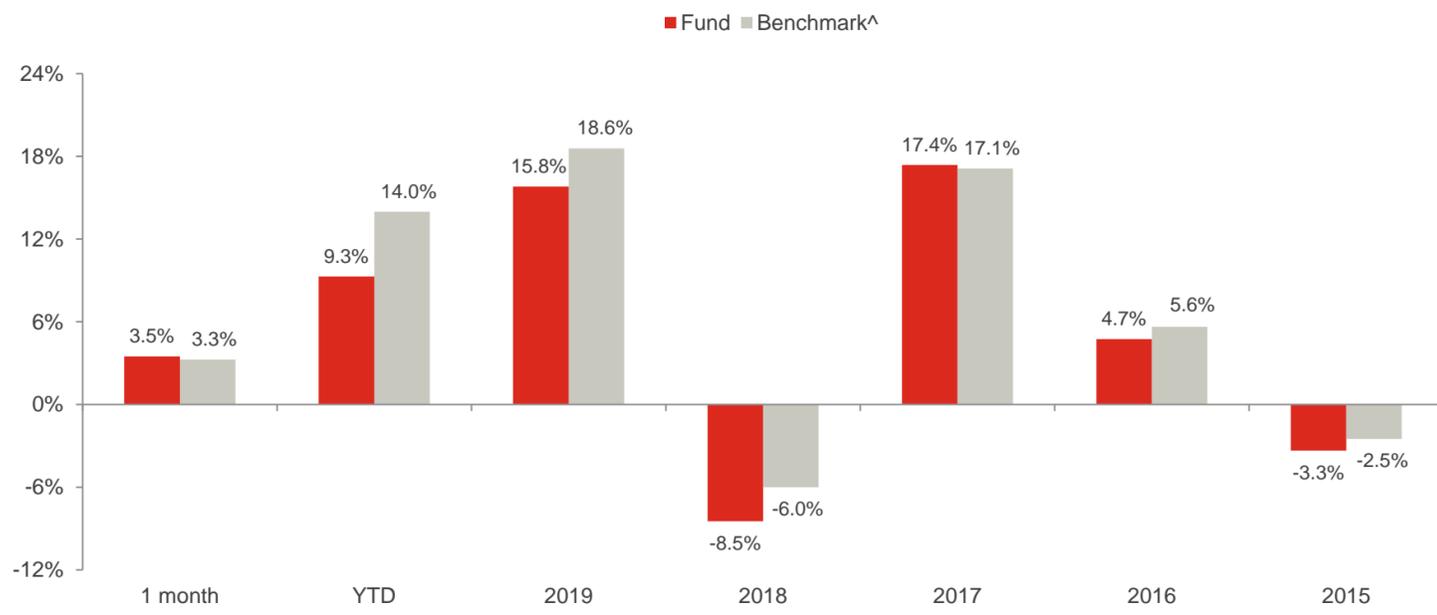
Fund details*

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 1.6274
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

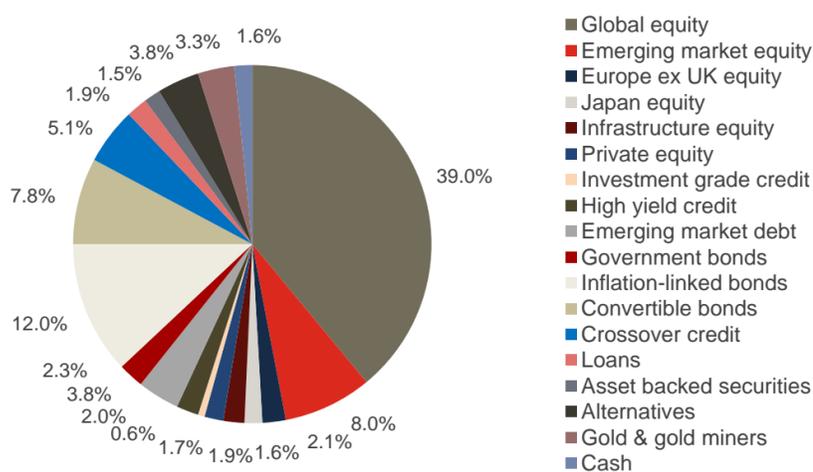
Holdings	Asset type	Weight
² Robeco Multi-Factor Global Equity	Equity	19.3%
¹ US TIPS	Fixed Income	12.0%
¹ Muzinich EnhancedYield Short-Term (USD hedged)	Fixed Income	5.1%
² Jennison Global Equity Opportunities	Equity	5.1%
¹ Aviva Global Convertibles	Fixed Income	5.0%
² Morgan Stanley Global Sustain	Equity	4.9%
¹ Neuberger Berman Uncorrelated Strategies	Alternatives	3.8%
¹ iShares MSCI Emerging Markets	Equity	3.2%
¹ Momentum IF Global Emerging Markets	Equity	3.1%
¹ RWC Asia Convertibles (USD hedged)	Fixed Income	2.8%

¹ Direct holding
² Indirectly held in the Momentum GF Global Equity Fund

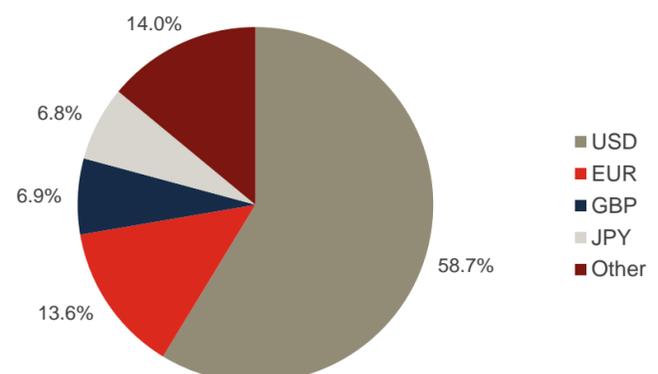
Investment statistics (since investment strategy inception)

Current month return:	3.5%
Cumulative return:	139.8%
Annualised return:	5.5%
Annualised volatility:	10.9%

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

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 7.4% in local terms. Meanwhile developed markets, measured by the MSCI World index, returned 4.2%, led by Asia Pacific ex Japan, with gains of 6.6%. The UK and US returned 3.2% and 3.8% respectively.

Bond markets returned 1.2% in December, as measured by the Bank of America Merrill Lynch Global Broad Market index, with US investment grade corporate bonds returning 0.4% compared with -0.3% from Treasuries and +1.9% for US high yield bonds.

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.

■ 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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