

Momentum Global Balanced Fund (Class B)

Month ended 30 September 2020

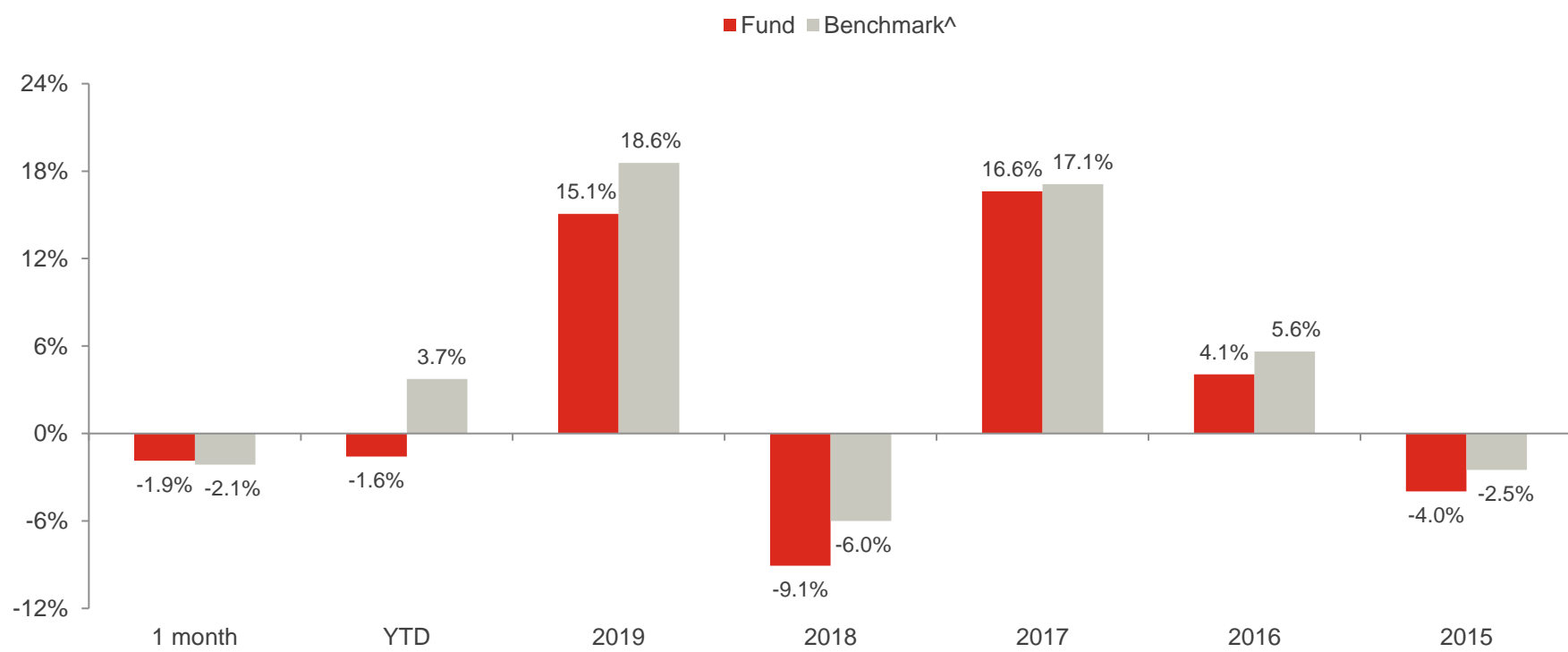
Fund details*

| | | |
|---|---|---|
| Investment manager: Momentum Global Investment Management | Investment timeframe: 3 years+ | Currency: USD |
| Minimum subscription: USD 7,500 | Subscriptions / redemptions: daily | ISIN: GG00B3FKLF78 |
| Inception date (investment strategy): 30 September 2004 | Inception date (fund): 18 April 2007 | Initial fee: none TER ^{**} : 1.95% |
| Benchmark: 60% MSCI AC World, 40% ICE BofA Global Broad Market | | Price per share: USD 1.4308 |

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 | 19.2% |
| ¹ US TIPS | Fixed Income | 11.8% |
| ² Jennison Global Equity Opportunities | Equity | 5.7% |
| ² Morgan Stanley Global Sustain | Equity | 5.3% |
| ¹ Muzinich EnhancedYield Short-Term (USD hedged) | Fixed Income | 5.2% |
| ¹ Aviva Global Convertibles | Fixed Income | 4.7% |
| ¹ Neuberger Berman Uncorrelated Strategies | Alternatives | 4.1% |
| ¹ RWC Asia Convertibles (USD hedged) | Fixed Income | 3.4% |
| ¹ iShares MSCI Emerging Markets | Equity | 2.9% |
| ¹ Momentum IF Global Emerging Markets | Equity | 2.8% |

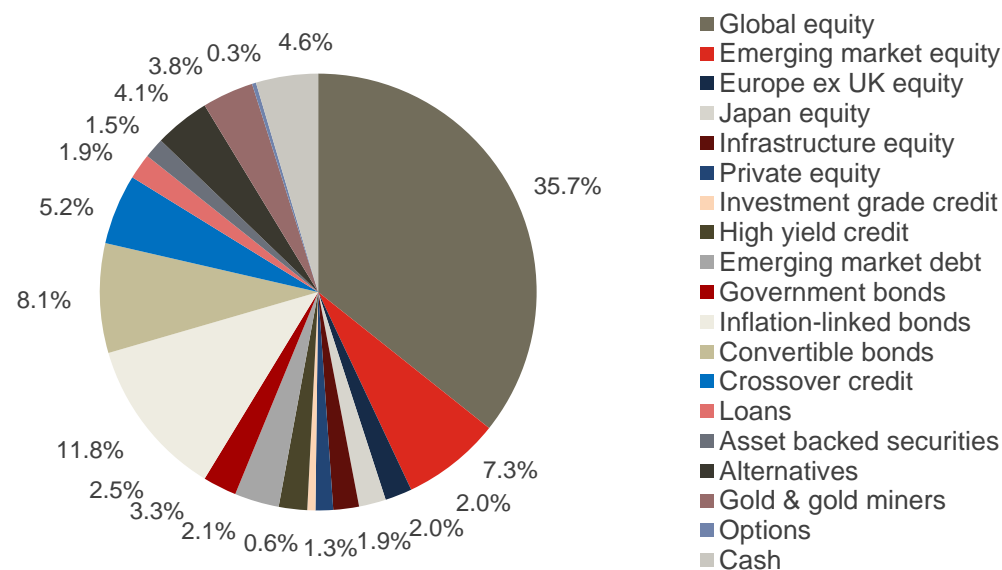
¹ Direct holding

² Indirectly held in the Momentum GF Global Equity Fund

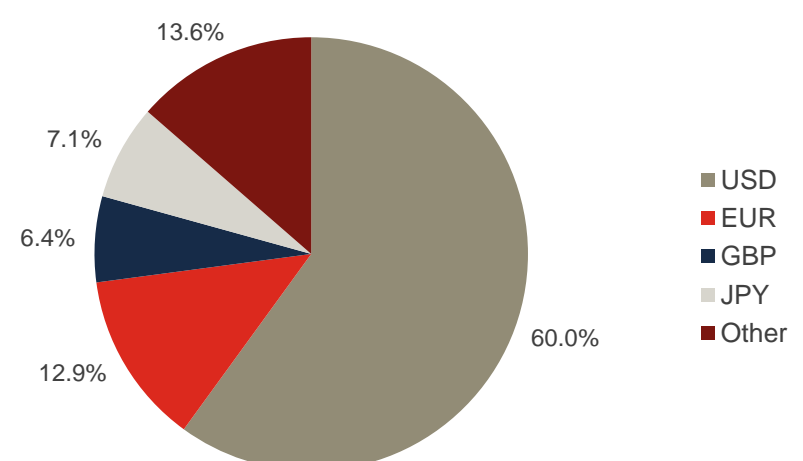
Investment statistics (since investment strategy inception)***

| | |
|------------------------|-------|
| Current month return: | -1.9% |
| Cumulative return: | 93.6% |
| Annualised return: | 4.2% |
| Annualised volatility: | 10.8% |

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.

** As at 30 June 2020, 1.95% of the Net Asset Value of the portfolio was incurred as charges, levies and fees related to the management of the portfolio.

*** Performance figures prior to 30.07.2013, the inception date of the Class B share, have been simulated to reflect the different fee structure by adjusting the Momentum Global Balanced Fund Class A share's past performance.

■ Market commentary

During September equity markets suffered their sharpest setback since the trough on 23rd March. Although a sharp rise in coronavirus cases, notably in Europe, triggered renewed restrictions, the sudden sell-off in markets was driven more by profit-taking in the big tech stocks, several of which had risen very sharply in previous weeks. The strength of the economic recovery from the lockdown induced slump continued in China and the US, but showed some signs of fading in Europe as the reimposed restrictions took their toll. Elsewhere, tensions rose between the UK and EU over the Brexit trade talks.

With the pandemic continuing to cause considerable uncertainty around growth prospects and the US Presidential election now in sight and adding to the sense of unease among investors, markets could well experience higher levels of volatility in the months ahead.

Emerging markets returned -1.6% in September in local currency. Meanwhile developed markets, measured by the MSCI World index, returned -3.4%, led by Japan and Europe, with returns of 1.3% and -0.9% respectively.

Bond markets fell overall in September, with US investment grade corporate bonds returning -0.3% compared with 0.2% from Treasuries, while high yield bonds returned -1.0%.

2021 promises to be a year of robust recovery in economies and corporate earnings, and risk assets will have continuing strong support from ultra-loose monetary policy for years ahead. Furthermore, markets are not discounting the early roll-out of a vaccine; any good news on this front would be a major boost to confidence and sentiment and might well herald a period of significant outperformance by value stocks over growth. We therefore expect markets to move higher through 2021 and would use setbacks in the months ahead as a 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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