



momentum
investments

FNB Monthly Feedback 31 December 2018

FNB Momentum Growth Fund
Minimum Disclosure Document (MDD)

FNB Momentum Growth Fund
Assets Managed by: Momentum Asset Management
Minimum Disclosure Document
31 December 2018
Portfolio Objective

The FNB Momentum Growth Fund is a general portfolio and the investment policy followed by the manager will focus on achieving steady but stable growth of both capital and income through investing in a broad range of asset classes.

Investable Universe of Portfolio

In order to achieve this objective, the securities normally to be included in the FNB Momentum Growth Fund will comprise a combination of financially sound ordinary shares and fixed income securities embracing non-equity securities, stock, financially sound preference shares, debenture stock, debenture bonds and unsecured notes, all to be acquired at fair market values and any other non-equity securities which are considered consistent with the portfolio's primary objective and that the Act or the Registrar may allow from time to time, all to be acquired at fair market value. The manager may from time to time invest in participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective investment schemes as the Act may allow from time to time, and which are consistent with the portfolio's investment policy. The trustee shall ensure that the investment policy, as set out above, is adhered to, provided that nothing contained in the investment policy shall preclude the manager from varying the ratio of the aforementioned securities relative to each other (except as required by the Act) or the securities themselves, should changing economic factors or market conditions so demand. There shall be no limit to the proportion of assets which may be invested in any one country and nothing contained in the investment policy shall preclude the manager from retaining cash in the portfolio and/or placing cash on deposit in terms of the Deed.

Portfolio Data

ASISA Classification	SA - Equity - General
Portfolio Benchmark	FTSE/JSE All Share J203T
Portfolio Size	R 225.29 million
Inception Date	15 September 1998
Latest Price (31/12/2018)	1213.55 (cpu)
Initial Management Fee	1.15% (incl. VAT)
Annual Management Fee	1.438% p.a. (incl. VAT)

Financial Year End

Total Expense Ratio (TER)	1.43% (incl. VAT)
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The disclosed Financial year end TER (total expense ratio) is shown as an annual percentage based on data for the 1 year period to 30 June 2018.

Cost Ratios as at 30 September 2018

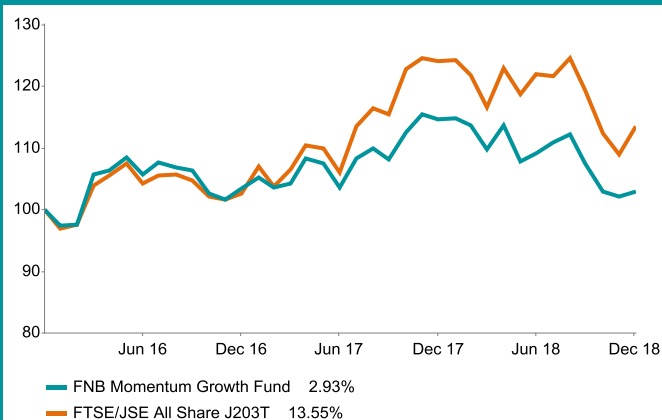
Total Expense Ratio (TER)	1.49% (incl. VAT)
Transaction Costs (TC)	0.18% (incl. VAT)
Total Investment Charges	1.67% (TER+TC)

Please see Disclosures section for further information on cost ratios

Distribution to Investors (cpu)

	Dividend	Interest	Distribution
Jun'17	12.402	0.368	12.770
Dec'17	13.630	0.559	14.189
Jun'18	13.267	0.810	14.077
Dec'18	16.457	0.551	17.008
Jan'18 - Dec'18	29.724	1.362	31.086

Distribution takes place 1st working day of Jul/Jan

3 year cumulative performance graph based to 100

Annualised Performance

	1 year	3 years	5 years	7 years	10 years
Fund	-10.23%	0.97%	3.26%	7.70%	10.48%
Benchmark	-8.53%	4.33%	5.77%	10.69%	12.62%
High^[1]	9.78%	13.77%	31.04%	31.04%	48.16%
Low^[1]	-11.62%	-11.62%	-11.62%	-11.62%	-35.26%

^[1] High/Low – highest/lowest 1 year return of the portfolio during the period .

Risk/Reward Profile and 3 Year Statistics

Risk	Low	Low- Mod	Mod	Mod- High	High
Term	1-3 mths	3mths-1yr	1-3yrs	3-5yrs	5+yrs

Standard deviation ¹⁾	9.95
Sharpe ratio ²⁾	-0.58
Information ratio ³⁾	-0.66
Largest negative monthly return	-5.08%
Number of positive months	19

¹⁾Standard deviation – measures the volatility of fund returns

²⁾Sharpe ratio – fund return minus cash return (STeFl composite), divided by the Standard Deviation (of fund returns)

³⁾Information ratio – return per unit of risk against the benchmark

Specific risks

This portfolio is permitted to invest in foreign securities which, within portfolios, 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. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Disclosures

Momentum Collective Investments (RF) (Pty) Ltd (the "Manager"), registration number 1987/004287/07, is authorised in terms of the Collective Investment Schemes Control Act, No 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. The Manager is the manager of the Momentum Collective Investments Scheme, and MMI Holdings Ltd is a full member of the Association for Savings and Investment SA. Standard Bank of South Africa Limited, registration number 1962/000738/06, is the trustee of the scheme.

FNB Momentum Growth Fund is a portfolio of the Momentum Collective Investments Scheme and Momentum Asset Management (Pty) Ltd, registration number: 1987/004655/07, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number: 623, is the investment manager of this portfolio.

FNB Momentum Growth Fund is a co-named portfolio, operating under an agreement entered into between the Manager and First National Bank Limited, a division of FirstRand Bank Limited, registration number: 1929/001225/06, an authorised FSP under FAIS, FSP number: 3071. A co-named portfolio is a third party named portfolio bearing the name of both the Manager and the FSP, where the FSP undertakes financial services of a discretionary nature, as contemplated in FAIS, in relation to the assets of the portfolio. The Manager retains full legal responsibility for all third party named portfolios under the Momentum Collective Investments Scheme. This information is not advice, as defined in the Financial Advisory and Intermediary Services Act (No. 37 of 2002). Please note that there may be representatives of the FSP acting under supervision. Your financial adviser may be a related party to the FSP and/or the Manager of this portfolio. It is your financial adviser's responsibility to disclose details of any conflicts of interests that may apply, as well as all fees that they receive, in relation to an investment in this portfolio.

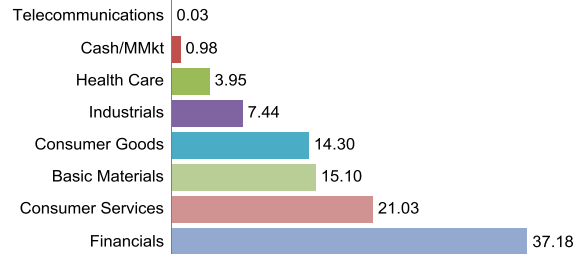
The Total Expense Ratio (TER) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TER's. The disclosed TER is shown as an annual percentage based on data for the period from 01 March 2016 to 30 September 2018. The Transaction Costs Ratio (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. The TC should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 March 2016 to 30 September 2018. The Total Investment Charges (TIC) is the sum of the TER and the TC and is shown as a percentage depicting the annual costs relating to the investment of the Financial Product. 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.

All portfolio performance is calculated for a portfolio/portfolio class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. Annualised returns, also known as Compound Annualised Growth Rates (CAGR), are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Manager on request. All portfolio performance figures quoted (tables and charts where present) are as at 31/12/2018, based on a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. CPI/Inflation figures, where present, are lagged by one month. Cash figures, where present, are STeFI Composite Index returns. All figures quoted in ZAR. Source: Morningstar and/or Momentum.

CIS are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of units apply to portfolios, which are subject to different fees and charges. Please note that VAT, applicable to fees and charges, with effect from 1 April 2018, increased from 14% to 15%. A schedule of fees and charges and maximum commissions is available on request from the Manager. The Manager reserves the right to close and reopen certain portfolios to new investors from time to time in order to manage them more efficiently in accordance with their mandate. Portfolios are valued daily at approx. 15h00, latest prices can be viewed at www.momentuminv.co.za and in some national newspapers. Forward pricing is used. Instructions must reach the Manager before 14h00 to ensure same-day value. The Manager does not provide any guarantee, either with respect to the capital or the return of this portfolio. Additional information on the proposed investment including, but not limited to, brochures, application forms and the annual report and any half yearly report can be obtained, free of charge, at www.momentuminv.co.za or on request from the Manager.

This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of the Manager's products.

Asset Allocation (%)



Top Holdings (%)

Naspers Limited	10.33	FirstRand Limited	4.24
Sasol Limited	6.09	Remgro Limited	4.17
British American Tobacco plc	5.07	Old Mutual Limited	3.68
Absa Group Limited	4.76	Anglo American plc	3.20
Standard Bank Group Limited	4.44	Sanlam Limited	3.05

Fund Managers

Norman MacKechnie

Qualifications:

BSc (Eng), MSc (Eng), DIC, MBA, CFA

Current Position:

Fund manager

Experience:

Norman joined Momentum Asset Management in 2000. He started his career in investments in 1988 and has worked as an investment analyst and portfolio manager in various asset management divisions. He has been actively involved in setting up investment processes and held the position of chief investment officer in a previous company.



Werner Burger

Qualifications:

BCom (Finance), BCom (Inv Mgt) (Hons), Post Grad Dip Fin Planning, CFP®, CFA

Current Position:

Assistant Portfolio Manager

Experience:

Werner started his career at RMB Asset Management in 2008 in the Unit Trust Pricing division and was promoted to manager of the pricing department in 2011. He joined the core investment strategies team of Momentum Asset Management as an assistant portfolio manager in 2013. Werner is currently the assistant portfolio manager of the house view equity funds, several specialist equity Unit Trust portfolios, the Momentum Conservative Unit Trust and the Group Life Funds. Werner is also a member of the asset allocation and the house view committees.



Contact Details

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