

Momentum International Income Fund

Momentum Collective Investment Scheme (CIS) portfolio

Class A | Minimum Disclosure Document (MDD) as at 30 November 2018

Assets managed by: Momentum Global Investment Management

Portfolio profile

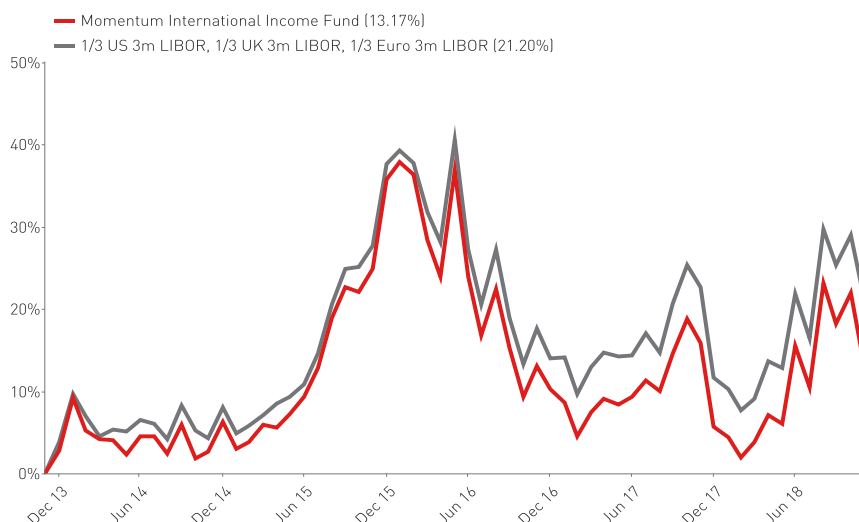
The Fund is a conservatively managed, global fixed income portfolio which aims to generate the highest possible level of income within the confines of its conservative mandate. The portfolio is suited to investors with a low risk profile (in hard currency terms) and provides investors with yield derived from shorter dated government and corporate securities as well as protection against Rand depreciation.

Investment strategy

The Fund invests in offshore corporate debt and government securities with modest duration and credit risk. Currency allocations are managed relatively close to benchmark. A minimum offshore allocation of 80% applies.

Portfolio performance

5 year cumulative performance graph



Annualised performance

	1 year	3 years	5 years	7 years	10 years
Fund	-2.36%	-3.25%	2.50%	4.91%	1.32%
Benchmark	-1.27%	-1.75%	3.92%	6.64%	3.05%
Sector	-0.85%	-0.96%	5.01%	6.41%	3.17%
Rank	3/3	3/3	3/3	2/2	2/2
High ⁽¹⁾	11.88%	33.77%	33.77%	33.77%	33.77%
Low ⁽¹⁾	-4.13%	-23.32%	-23.32%	-23.32%	-23.77%
Cash	7.25%	7.37%	6.87%	6.45%	6.74%
Inflation	5.09%	5.45%	5.38%	5.44%	5.34%

⁽¹⁾ High/Low – highest/lowest 1 year return of the portfolio/class of portfolio during the period detailed.

Portfolio information

Benchmark 1/3 US 3m LIBOR, 1/3 UK 3m LIBOR, 1/3 Euro 3m LIBOR

ASISA sector Global - Interest Bearing - Short Term

Portfolio size R 116.91 million

Portfolio inception 31 December 2002

The Portfolio inception (above) is the launch date of this portfolio on the Momentum Collective Investments (MCI) Scheme. The Launch date (below) depicts the launch/performance start date of the relevant class of this portfolio.

Launch date 31 December 2002

Launch price 100.00 (cpu)

Latest price (30/11/2018) 130.73 (cpu)

Codes

JSE RMII

ISIN ZAE000044053

Minimum investment

Lump sum R 2,000 Monthly R 250

Portfolio managers

Momentum Investments provides clients with access to global investment diversification through its London-based business. Momentum Global Investment Management (MGIM) has been providing global investment solutions from the UK for more than 12 years. By developing and managing investment solutions on a multi-asset, active, passive and best-of-breed basis, MGIM is able to satisfy the specific investment needs of its partners.

Alex Harvey

BA, CFA, IMC, Series 3

Portfolio charges and ratios

Initial management fee 0% (incl. VAT)

Initial advisory fee 0% - 3.45% (incl. VAT)

Annual management fee 0.863% p.a. (incl. VAT)

Annual advisory fee 0% - 1.15% (incl. VAT)

Financial year end TER (incl. VAT): 1.05%

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 (incl. VAT) as at 30 September 2018:

TER (%)	TC (%)	TIC (%)
1.09%	0.00%	1.09%

TER (%): Total Expense Ratio, TC (%): Transactions Costs Ratio, TIC (%): Total Investment Charges (TER (%) + TC (%))

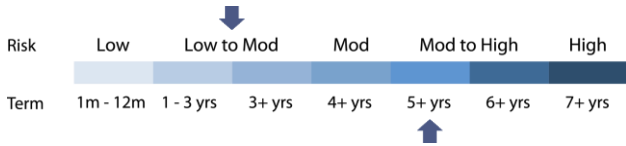
Please see Disclosures section for further information on cost ratios

Income distribution (cpu)

	Dividend	Interest	Total
Dec'17	0.000	0.368	0.368
Mar'18	0.000	0.200	0.200
Jun'18	0.000	0.652	0.652
Sep'18	0.000	0.670	0.670
Dec'17 - Nov'18	0.000	1.891	1.891

Distribution takes place Quarterly : March, June, September, December

Risk/reward profile and 3 year statistics



Standard deviation ¹⁾	17.85
Sharpe ratio ²⁾	-0.50
Largest negative monthly return	-9.38
Number of positive months	16 / 36

¹⁾Standard deviation – measures the volatility of fund returns ²⁾Sharpe ratio – fund return minus cash return (STeFI composite), divided by the Standard deviation (of fund returns)

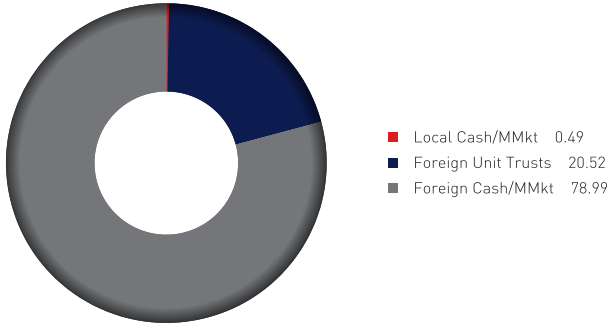
³⁾Information ratio – return per unit of risk against the benchmark

Specific risks

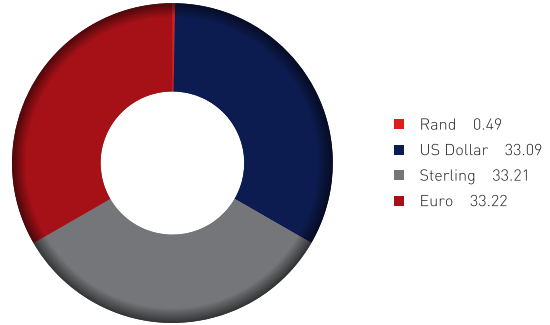
Permanent capital loss for investors is unlikely but possible if an issuer of one of the instruments held in the fund defaults. Significant widening in credit spreads on instruments held in the fund can result in temporary short term capital volatility but not permanent capital loss. This portfolio is 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.

Holdings

Portfolio allocation (%)



Currency allocation (%)



Portfolio objective/investment policy

The Momentum International Income Fund is a specialist global income portfolio with the objective to provide investors with a high level of income. In order to achieve this, the securities normally to be included in the portfolio will comprise a combination of global bonds, interest bearing securities, including loan stock, preference shares, semi-gilts debentures, debenture bonds and notes, money market instruments, other non-equity securities in line with the investment objective and assets in liquid form. Interest bearing instruments in a currency other than the Republic of South Africa, may only be included in this portfolio, if they comply with a credit rating of investment grade by the credit rating agencies approved by the Registrar, provided further that if the grading of an instrument differs between the rating agencies, the lower grading will apply. The manager may from time to time also invest in participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective investment schemes which are consistent with the portfolio's investment policy. Where the aforementioned schemes are operated in territories other than South Africa, participation in portfolios of these schemes will be included only where the regulatory environment is of sufficient standard to provide investor protection at least equal to that in South Africa. The portfolio may from time to time invest in financial instruments in order to achieve the portfolio's investment objective. The manager may also include unlisted forward currency, interest rate and exchange rate swap transactions.

Portfolio limits and constraints

- Maximum exposure limits as per the ASISA fund classification structure.
- Maximum average weighted modified duration of 2 years
- Portfolio must invest at least 80% of their assets outside South Africa at all times with no more than 80% exposure to a specific geographical region.



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www.momentuminv.co.za

Contact and other information

Scheme

Momentum Collective Investments Scheme

Custodian/Trustee

Standard Bank of South Africa Limited
 Telephone: +27 (0)21 441 4100
 Registration no.: 1962/000738/06

Management company

Momentum Collective Investments (RF) (Pty) Ltd
 268 West Avenue, Centurion, 0157
 PO Box 7400, Centurion, 0046
 Facsimile: +27 (0)12 675 3889
 Call centre: 0860 111 899
 Email: ci.clientservice@momentum.co.za
 Web: www.momentuminv.co.za
 Registration no.: 1987/004287/07

Investment manager

Momentum Global Investment Management Limited
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 An authorised financial services provider, FSP No: 13494
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 Facsimile:
 Email: russell.andrews@momentumgim.com
 Web: www.momentumgim.co.uk/home
 Registration no.: 3733094

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.

Momentum International Income Fund is a portfolio of the Momentum Collective Investments Scheme and Momentum Global Investment Management Limited, registration number: 3733094, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number: 13494, is the investment manager of 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 30/11/2018, 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.



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