

The image features a large, stylized red letter 'S' on the left side, partially overlapping a white, textured wall. The background is a bright, modern interior space with large, arched windows and a woman in a grey top and red pants walking away from the camera. The overall aesthetic is clean and professional.

momentum
investments

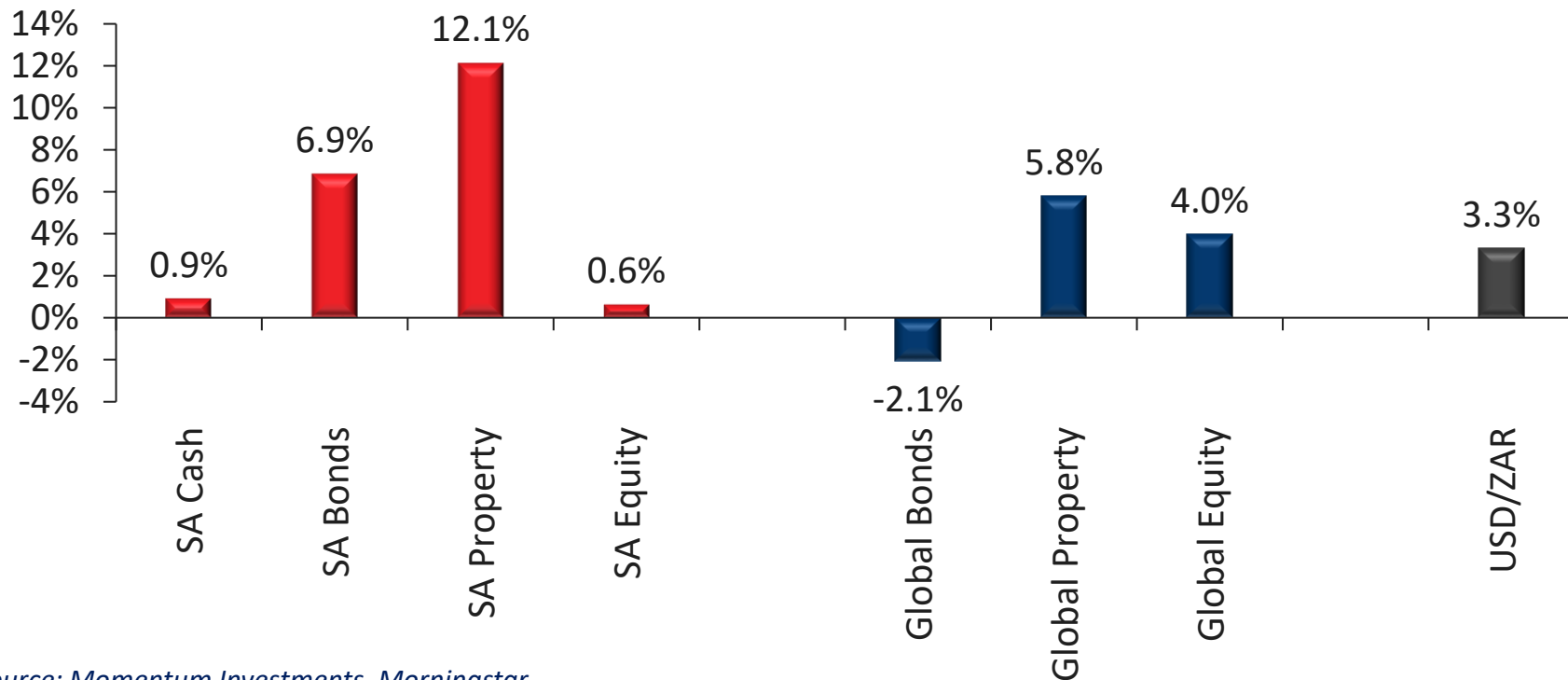
Update on MFP Focus
model portfolios
Dean De Sousa

23/24 August 2021

Market returns



Major asset class returns to 30 June 2021 in rand terms

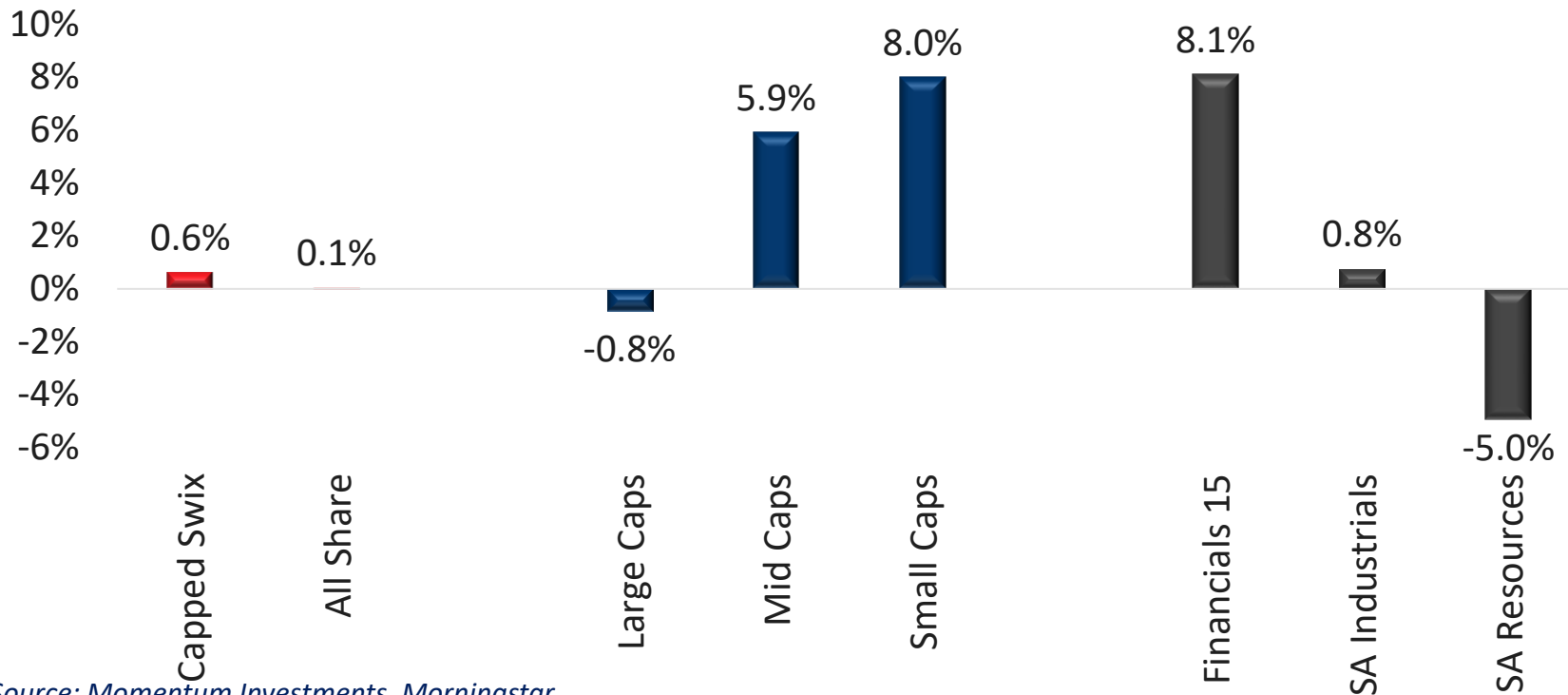


Source: Momentum Investments, Morningstar

Market returns



Local equity returns to 30 June 2021 in rand terms

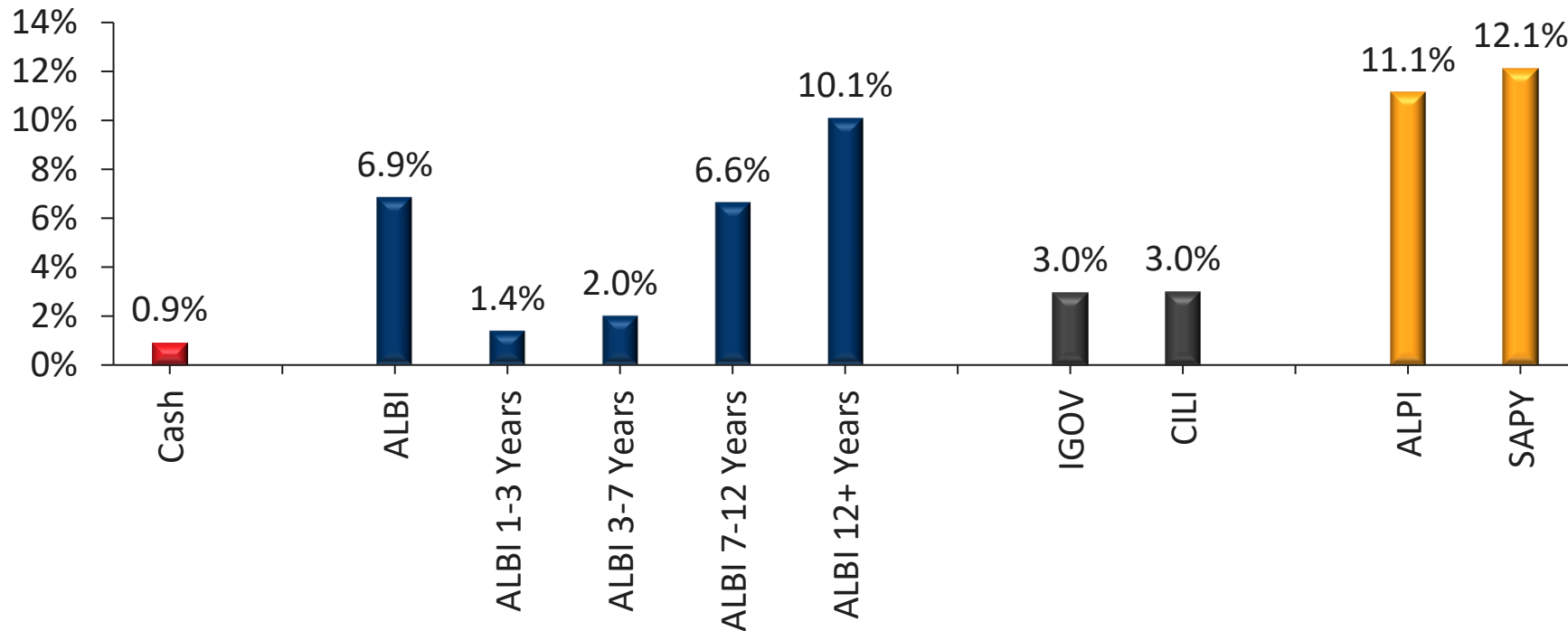


Source: Momentum Investments, Morningstar

Market returns



Local fixed income and property returns to 30 June 2021 in rand terms



Source: Momentum Investments, Morningstar

Portfolio returns



Trailing returns to 30 June 2021

Three years annualised

MFP Focus 3	8.0%
Benchmark: CPI + 2%	5.9%
<i>(ASISA) South African MA Low Equity</i>	6.5%

Seven years annualised

MFP Focus 7	9.1%
Benchmark: CPI + 5%	9.6%
<i>(ASISA) South African MA High Equity</i>	5.9%

Five years annualised

MFP Focus 5	8.1%
Benchmark: CPI + 3.5%	7.8%
<i>(ASISA) South African MA Medium Equity</i>	5.8%

Seven years annualised

MFP Focus 7 Unconstrained	9.2%
Benchmark: CPI + 5%	9.6%
<i>(ASISA) Worldwide MA Flexible</i>	8.0%

Source: Momentum Investment Consulting, Morningstar

*Before inception, the returns of the MFP Focus model portfolios are back-tested based on the holdings at the time of launch.

Portfolio return attribution



Total return attribution: Three months to 30 June 2021

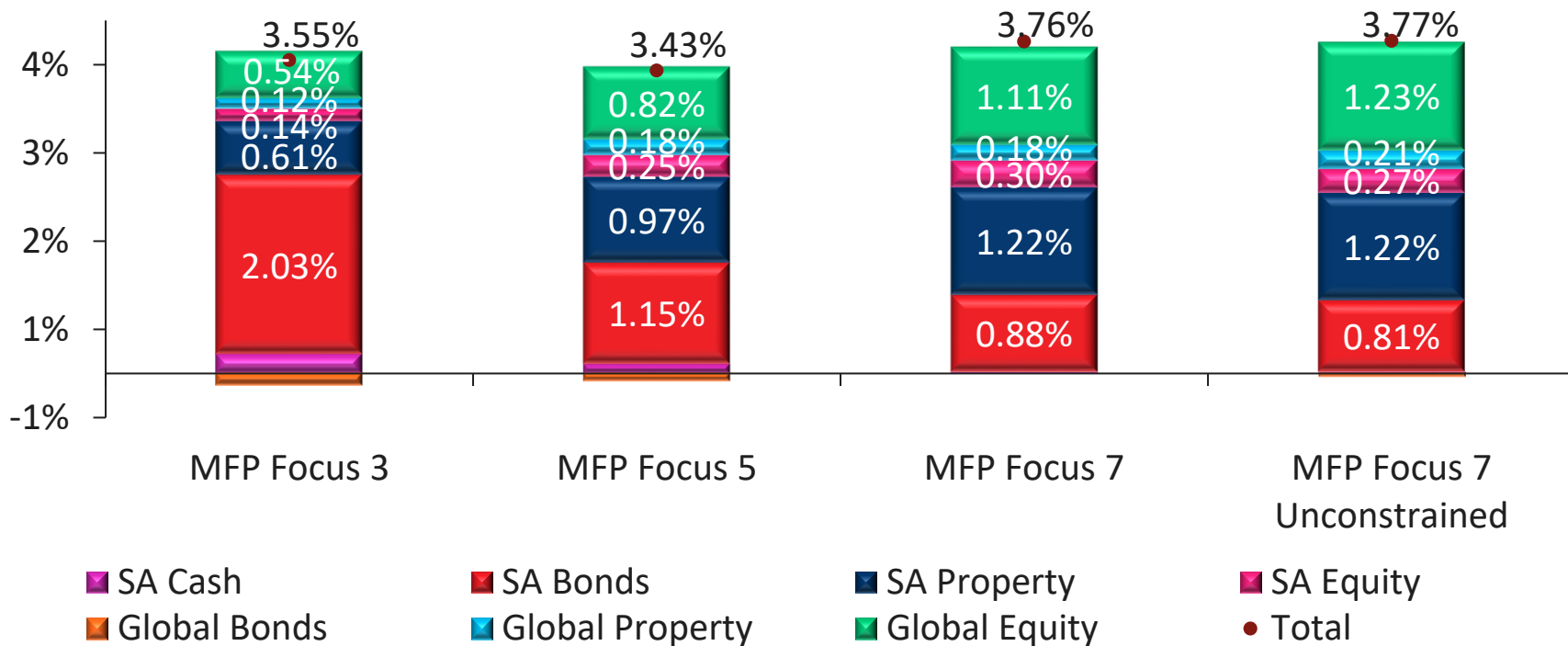
	SAA (A)	TAA (B)	Managers (C)	Fees (D)	Trading effect (E)	Total return (F)
MFP Focus 3	3.55%	-0.06%	-0.35%	-0.10%	0.06%	3.10%
MFP Focus 5	3.43%	-0.07%	0.03%	-0.10%	0.05%	3.34%
MFP Focus 7	3.76%	0.02%	-0.04%	-0.10%	0.02%	3.66%
MFP Focus 7 Unconstrained	3.77%	0.01%	-0.18%	-0.10%	0.02%	3.52%

$$A + B + C + D + E = F$$

Portfolio return attribution



Asset class contribution to SAA returns: One year to 30 June 2021



Source: Momentum Investment Consulting

Portfolio return attribution



TAA effects (bps): Three months to 30 June 2021

	Avg relative position	MFP Focus 3	MFP Focus 5	MFP Focus 7	MFP Focus 7 Unconstrained
SA Cash		0	0	1	0
SA Bonds		0	1	9	0
SA Property		0	0	-8	0
Global Bonds		-4	-4	0	-4
Global Property		-1	-1	1	-1
Global Equity		1	2	-1	9
Total		-4	-4	6	5

Source: Momentum Investment Consulting

Portfolio return attribution



Effect of investment manager selection (bps): Three months to 30 June 2021

	MFP Focus 3	MFP Focus 5	MFP Focus 7	MFP Focus 7 Unconstrained
Momentum SA Flexible Fixed Interest Fund (D)	17	20	18	14
Foord Equity Fund (B2)	8	15	19	17
Aylett Equity Prescient Fund (A1)	3	6	7	6
Visio BCI Unconstrained Fixed Interest Fund (C)	-37			
Momentum International Equity FF (D)	-14	-18	-26	-31
Fairtree Equity Prescient Fund (A2)	-10	-18	-23	-20
Momentum Core Equity Fund (C)		-3	-4	
Coronation GEM Flexible (ZAR) Fund (P)				-4
Total	-38	-1	-7	-22

Source: Momentum Investment Consulting

Tactical asset allocation views



	Q2 2021	MFP Focus 3	MFP Focus 5	MFP Focus 7	MFP Focus 7 Unconstrained
SA Cash		0.00%	0.00%	-2.00%	-2.50%
SA Bonds		2.00%	2.00%	5.50%	2.50%
SA Property		0.00%	0.00%	-1.00%	0.00%
SA Equity		0.00%	0.00%	0.00%	0.00%
Global Bonds		-2.00%	-2.00%	0.00%	-2.00%
Global Property		-0.33%	-0.33%	0.00%	-0.17%
Global Equity - DM		0.33%	0.33%	-2.50%	2.17%
Global Equity - EM					

Source: Momentum Investment Consulting

Momentum Investment Consulting (Pty) Ltd is an authorised financial services provider (FSP32726) in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 (FAIS Act), as may be amended and/or replaced from time to time and a part of Momentum Metropolitan Holdings Limited, rated B-BBEE level 1.

The information used to prepare this document includes information from third-party sources and is for information purposes only. This document does not constitute any form of advice and should not be used as a basis to make investment decisions or as an offer or a solicitation to purchase any specific product. The information contained herein is based on the underlying collective investment scheme (fund) allocation at the date of publication of this document. Given that past returns may not be indicative of future returns and the value of investments will fluctuate over time, independent professional advice should always be sought before making an investment decision. The underlying funds may contain shares or units in funds that are invested globally, which may present additional risks. The asset allocation may differ from time to time due to market movements and the portfolio and underlying fund limitations. Although every attempt has been made to ensure the accuracy and reliability of the information provided herein, Momentum Investment Consulting (Pty) Ltd does not guarantee the accuracy, content, completeness, legality or reliability of the information contained in this document and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided nor to the suitability or otherwise of the information to your particular circumstances. Under no circumstances shall Momentum Metropolitan Holdings Limited, its affiliates, directors, officers, employees, representatives or agents (the "Momentum Parties") have any liability to any persons or entities receiving the information made available in this document for any claim, damages, loss or expense, whether caused by the Momentum Parties' negligence or otherwise, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available in this document, whether relating to any actions, transactions, omissions resulting from this information, or relating to any legal proceedings brought against you as a result of this information, and you agree to indemnify the Momentum Parties accordingly.

Returns may be based on a combination of calculation methodologies, which include simulated returns before the inception date of the portfolio based on the portfolio's holdings at inception (which would not reflect Momentum Investment Consulting (Pty) Ltd's historic asset allocation views, or any changes, which would have been made to the portfolio holdings over time), money-weighted returns calculated on the total value of the portfolio, after the deduction of underlying investment management fees with the size and timing of cash flows taken into account, and returns based on an investment in a tracker or index portfolio, which is a time-weighted return and the effect of cash flows is not taken into account. For the simulated return calculations, the retail fund share classes with the longest return histories have been used. For funds with limited return history, the applicable index returns have been used. Returns are reported after the deduction of the portfolio management fee and either before or after the deduction of any platform administration fees on the tracker or index portfolio (depending on the platform on which the tracker or index portfolio is invested) and before financial adviser fees. Individual investor returns may differ as a result of platform and adviser fees, the actual investment date, cash flows and other transactions. Returns for periods exceeding one year are annualised. The return for the Consumer Price Index (CPI) is at the end of the previous month. The asset allocation is provided by Morningstar and is updated either monthly or quarterly depending on the availability of data for each underlying fund.

Momentum Investment Consulting (Pty) Ltd does not provide a guarantee on the value of the portfolio nor does it guarantee the returns of the underlying funds in the portfolio. The investor acknowledges the inherent risk associated with the portfolio (currency, investment, market and credit risks) and that capital is not guaranteed. A switch transaction between underlying funds within the portfolio will incur capital gains tax (CGT) for the investor, should the product through which the investor buys the portfolio not be CGT exempt. For details on each underlying fund, please refer to the minimum disclosure document, which is obtainable from the relevant investment manager.

The information contained in this document is confidential, privileged and only for the use and benefit of the intended recipient and may not be used, published or redistributed without the prior written consent of Momentum Metropolitan Holdings Limited or the Momentum Parties. Under no circumstances will Momentum Metropolitan Holdings Limited or the Momentum Parties be liable for any cost, loss or damages arising out of the unauthorised dissemination of this document or the information contained herein.

Sources: Momentum Investments, Morningstar

momentum
investments

A woman in a grey long-sleeved top and bright red leggings is walking away from the camera down a long, empty hallway. The hallway has a polished concrete floor and a series of large, arched windows on the right side. The lighting is bright, coming from the windows, creating a clean and modern atmosphere. A large, semi-transparent red graphic element is overlaid on the left side of the image, partially obscuring the wall and windows.

Thank you