Momentum Global Managed Fund - Class A USD

Fund data for the month ending 30 September 2022

- **Investment manager:** Momentum Global Investment Management
- **Inception date:** 19 March 2008
- **Currency:** USD

### Fund details

- **Manager:** Momentum Wealth International Limited
- **Custodian:** Northern Trust (Guernsey) Limited
- **Subscriptions / redemptions:** daily

### Annualised return:

- **Hereford Bin Yuan Greater China Equity:** -22.0%
- **Amundi Global Systematic Fixed Income:** 8.4%
- **Muzinich EnhancedYield Short-Term (USD hedged):** 2.9%
- **Morgan Stanley Global Sustain:** 3.2%
- **Global Cash:** -4.0%
- **BlackRock US Dollar Ultra Short Bond:** 4.8%
- **Government bonds:** 4.9%

### Minimum subscription:

- **Mar 14:** USD 7,500
- **Mar 22:** USD 1.5757

### Global Cash:

- **Cumulative returns:** 22.2%
- **Minimum subscription:** 3.9%
- **Price per share:** 4.9%

### NAV to NAV figures have been used for the performance calculations.

### Investment objective

The Fund is designed to offer a balance between capital preservation and capital appreciation over the medium to long term through investment in a diversified range of international asset classes and currencies. The Fund is ideally suited to investors with a medium risk tolerance with an investment horizon of 5 years or longer. The Fund intends to achieve its investment objective through a diversified global portfolio primarily consisting of investments in participatory interests of portfolios of collective investment schemes or other similar schemes.

### Investment statistics (since inception)

- **Cumulative return:** 57.6%
- **Annualised return:** 3.2%
- **Annualised volatility:** 11.7%
- **Highest annual return:** 34.2% (Apr 2020 - Mar 2021)
- **Lowest annual return:** -22.0% (Oct 2021 - Sep 2022)

### Top holdings

<table>
<thead>
<tr>
<th>Holdings</th>
<th>Asset type</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>i) Robeco Multi-Factor Global Equity</td>
<td>Equity</td>
<td>22.2%</td>
</tr>
<tr>
<td>ii) BlackRock US Dollar Ultra Short Bond</td>
<td>Money Market</td>
<td>8.4%</td>
</tr>
<tr>
<td>iii) Morgan Stanley Global Sustain</td>
<td>Equities</td>
<td>5.9%</td>
</tr>
<tr>
<td>iv) US TIPS</td>
<td>Fixed Income</td>
<td>5.8%</td>
</tr>
<tr>
<td>v) Morant Wright Fiji Yield</td>
<td>Equity</td>
<td>4.9%</td>
</tr>
<tr>
<td>vi) Fidelity Emerging Markets</td>
<td>Equity</td>
<td>4.8%</td>
</tr>
<tr>
<td>vii) Jennison Global Equity Opportunities</td>
<td>Equity</td>
<td>3.9%</td>
</tr>
<tr>
<td>viii) Amundi Global Systematic Fixed Income</td>
<td>Fixed Income</td>
<td>3.5%</td>
</tr>
<tr>
<td>ix) Herford Bin Yuan Greater China</td>
<td>Equity</td>
<td>3.4%</td>
</tr>
<tr>
<td>x) Muzinich EnhancedYield Short-Term (USD hedged)</td>
<td>Fixed Income</td>
<td>2.9%</td>
</tr>
</tbody>
</table>

* Direct holding  * Indirectly held in the Momentum GF Global Equity Fund  * Indirectly held in the Momentum IF Global Fixed Income Fund.

### Current asset allocation

![Asset Allocation Chart](chart.png)

- **Global equity:** 39.4%
- **US equity:** 11.9%
- **Japan equity:** 48.2%
- **Private equity:** 13.3%
- **Inflation-linked bonds:** 7.4%
- **Fixed income:** 11.9%
- **Cash & money market:** 3.5%

### Source:

Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

Past performance is not indicative of future returns.


Please refer to the fund supplement and scheme particulars for a detailed description of fees and fund facts. *Global Cash comprises two components: i) prior to 01.01.22 Global Cash was a composite of 50% ICE BofA 3M US Treasury Bill index; 25% ICE BofA 3M Japan Treasury Bill index; 15% ICE BofA 3M German Treasury Bill index; 10% ICE BofA 3M Sterling Government Bill index; ii) from 01.01.22 to present Global Cash is a composite of 50% ICE BofA 3M US Treasury Bill index; 25% ICE BofA 3M German Treasury Bill index; 15% ICE BofA 3M Sterling Government Bill index; 10% ICE BofA 3M Japan Treasury Bill index. The Total Expense Ratios (TERs) are the percentages 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 TERs.

This communication is issued by Momentum Global Investment Management Limited, of 62 Queen Street, London EC4R 1EB

Issue date: 12 October 2022
Market commentary

All the gains in markets between mid-June and mid-August were erased in September. The principal cause of the sharp falls in markets was the persistence of high inflation rates across much of the developed world, triggering increasingly hawkish policy moves by central banks, with the Fed in the vanguard dispelling any doubts about their resolve to bring inflation firmly under control, even if that means higher unemployment, a weak housing market and an extended period of below trend growth. Other central banks also tightened policy more aggressively. Most notable was the ECB, which faces even more challenging inflationary conditions than the Fed, leading to a further 75bps hike in September.

Commodity prices fell sharply, including the critical natural gas markets in Europe, and there is increasing evidence that supply chain pressures, while still high, are easing. Despite the falls in September, energy price levels are still 8-10x those prevailing two years earlier in the EU, and 5-6x in the UK. Price rises of this magnitude, combined with high inflation and the sharp tightening of monetary policy, are damaging confidence of households and businesses.

The household and corporate sectors are in a healthy financial state and banks have very strong balance sheets and large capital buffers to weather the upcoming storm. There are no signs of significant systemic risks ahead, however, just as central banks were late in tightening policy to contain inflation, so they risk overkill by tightening too far.

Developed markets, measured by the MSCI World index, returned -9.3% over the month, with the US returning -9.2% while the UK returned -4.8% in local currency terms. Emerging markets fell 11.7% in local terms. Bond markets returned -5.3% in September, as measured by the Bank of America Merrill Lynch Global Broad market index, with US Treasuries returning -3.3% and US corporate investment grade bonds returning -5.3.

The carnage across financial markets so far this year has not yet represent the moment of maximum risk aversion, but it has brought that time much closer. With peak inflation approaching, policy tightening well underway and growth slowing, markets will start to discount the recovery which will surely come. Patience, a longer-term perspective, and sensible diversification are invaluable at times like this, to avoid missing out on the early fruits of that recovery.

Source: Bloomberg Finance LP, Momentum Global Investment Management Limited

Fees applicable to Class A participating shares

<table>
<thead>
<tr>
<th>Management and administration fee (per annum):</th>
<th>Investment management fee (per annum):</th>
<th>Other applicable fees (per annum):</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.30% subject to a minimum of USD 22,000 per annum</td>
<td>0.50%</td>
<td>Distribution fees: 0.00%</td>
</tr>
<tr>
<td>Performance fees are not applicable to this Fund</td>
<td>Performance fees: 0.00%</td>
<td>Custody fees: 0.04%, subject to a minimum of USD 8,000 per annum</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(Custodian fee per transaction: USD 25)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Directors’ fees: 0.00%</td>
</tr>
</tbody>
</table>

Risk warnings and important notes

Collective investments are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future. Collective investments are traded at ruling prices. Commission and incentives may be paid and, if so, would be included in the overall costs. All performance is calculated on a total return basis, after deducting annual management and administration fees. Performance is pricing to pricing terms.

The Fund invests in other collective investments, which levy their own charges. This could result in a higher fee structure for the Fund.

Fluctuations in the value of the underlying funds, the income from them and changes in interest rates mean that the value of the Fund and any income arising from it may fall, as well as rise, and is not guaranteed.

Deductions of charges and expenses mean that you may not get back the amount you invested.

The fees charged within the Fund and by the managers of the underlying funds are not governed and may change in the future.

Higher risk investments may be subject to sudden and larger falls in value in comparison to other investments. Higher risk investments include, but are not limited to, investments in smaller companies, even in developed markets, investments in emerging markets or single country debt or equity funds and investments in high yield or emerging market investment grade debt.

Notwithstanding ongoing efforts to ensure the underlying funds within the Fund, there can be no assurance that the performance of the funds will achieve their stated objectives.

The Fund will contain shares or units in underlying funds that invest internationally. The value of an investor’s investment and the income arising from it will therefore be subject to exchange rate fluctuations.

Foreign securities 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.

The Fund may contain shares or units in underlying funds that do not allow dealing every day. Investments in such funds will only be realised on their dealing days. It is not possible to assess the proper market price of these investments other than on the fund’s dealing days.

No borrowing will be undertaken by the Fund except for the purpose of meeting short term liquidity requirements. Borrowings will not exceed 10% of the net asset value of the Fund. For such purposes, the securities of the Fund may be pledged. No scrip borrowing will be allowed. The Cell is not permitted to enter into any form of borrowing or loan arrangement with other cells of the Company or other collective investment schemes of the Manager.

While derivative instruments may be used for hedging purposes, the risk remains that the relevant instrument may not necessarily fully correlate to the investments in the Fund and accordingly not fully reflect changes in the value of the Fund, giving rise to potential net losses.

Forward contracts are neither traded on exchanges nor standardised. Principals dealing in these markets are also not required to make markets in the currencies they trade, with the result that these markets may experience periods of illiquidity. Banks and dealers will normally act as principals and usually each transaction is negotiated on an individual basis.

The Manager has the right to close the Fund to new investors, in order to manage it more efficiently, in accordance with its mandate.

Investment in the Fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.

Investors are reminded that any forecasts and/or commentary included in this MD are not guaranteed to occur, and merely reflect the interpretation of the public information and propriety research available to the Investment Manager at a particular point in time.

This report should be read in conjunction with the prospectus of Momentum Mutual Fund IC Limited and the supplement, in which all the current fees and fund facts are disclosed. Copies of these scheme particulars, including the Prospectus, Fund Supplement, and the annual accounts of the Scheme, which provide additional information, are available, free of charge, upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF, Telephone 0044 1481 735480, or from our website www.momentum.co.gg. A schedule of similarities and differences is also available to South African investors and can be found on our website www.momentum.co.za.

This report should not be construed as an investment advertisement, or investment advice or guidance or proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors in the Fund.

While all care has been taken by the Investment Manager in the preparation of the information contained in this report, neither the Manager nor Investment Manager make any representations or give any warranties, or in the correctness, accuracy or completeness of the information, nor does either the Manager or Investment Manager assume liability or responsibility for any losses arising from errors or omissions in the information.

Momentum Mutual Fund IC Limited is an incorporated collective cell company governed by the provisions of the Companies (Guernsey) Law 2008 as amended. Prior to its incorporation as an incorporated collective cell company it was regulated as a protected cell company from 20 February 2006. It is authorised, as an open-ended collective investment scheme of Class B by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law 2020. In giving this authorisation the Guernsey Financial Services Commission do not vouch for the financial soundness of Momentum Mutual Fund IC Limited or for the correctness of any of the statements made or opinions expressed with regard to it.

Momentum Global Managed Fund IC Limited is a registered incorporated called of Momentum Mutual Fund IC Limited, with registered number 47780.

Momentum Global Managed Fund IC Limited Share Class A is approved under the South African Collective Investment Schemes Control Act (No. 45 of 2002).

Momentum Wealth International Limited is the Fund Manager, licensed by the Guernsey Financial Services Commission, with its registered office at La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF. Momentum Wealth International Limited is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa. Momentum Wealth International Limited is a full member of the Association for Savings and Investments SA (ASISA).

Momentum Collective Investments (RF) (Pty) Ltd a South African company registration No. 1987/004287/07, with its registered office at 268 West Avenue, Centurion, 0157, South Africa, has been appointed by the Manager as the Representative Office for the fund. Share call number 0860 111 899 Telephone +27 (0) 12 675 3002 Faxnumber +27 (0) 12 675 3003.

Momentum Collective Investments (RF) (Pty) Ltd is an authorised manager of collective investment schemes in terms of the Collective Investment Schemes Control Act, No. 45 of 2002. Momentum Wealth International Limited is the Fund Manager, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 11, Trafalgar Court, Lesser Barques, St Peter Port, Guernsey, GY1 3QD.

Northern Trust International Fund Administration Services (Guernsey) Limited is the Fund Administrator, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 255, Trafalgar Court, Les Barques, St Peter Port, Guernsey, GY1 3QL.

This report may not be circulated or copied where it may constitute an infringement of any local laws or regulations. This report is for the sole use of the intended recipient and may not be reproduced or circulated without the prior written approval of the Manager.