**Fund details**

Manager: Momentum Wealth International Limited
Investment manager: Momentum Global Investment Management
Sub-investment manager: Amplersand Asset Management (Pty) Ltd
Currency: USD

- Investment timeframe: 3 years
- Fund size: USD 18.5 million
- Price per share (as at 30 September 2022): USD 1.0535
- Minimum subscription: USD 7,500
- Initial fee: none
- Subscriptions / redemptions: daily

**Lowest performance**

1. Fund return
2. Currency allocation
   - USD 1.0%
   - JPY -18.0%
   - EUR -18.0%
   - GBP -18.0%
   - Other 0.3%

**Cumulative returns**

- Rolling 12-month cumulative return
- Cumulative performance

<table>
<thead>
<tr>
<th>Period</th>
<th>Highest performance</th>
<th>Lowest performance</th>
<th>Cumulative performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>+14.3% (Oct 2021)</td>
<td>-18.0% (Sep 2022)</td>
<td>+18.0%</td>
</tr>
<tr>
<td>2 years</td>
<td>+19.2% (Mar 2021)</td>
<td>-18.0% (Sep 2022)</td>
<td>+9.2%</td>
</tr>
<tr>
<td>3 years</td>
<td>+19.2% (Sep 2022)</td>
<td>-18.0% (Sep 2022)</td>
<td>+12.9%</td>
</tr>
<tr>
<td>5 years</td>
<td>+19.2% (Mar 2021)</td>
<td>-18.0% (Sep 2022)</td>
<td>+8.8%</td>
</tr>
<tr>
<td>10 years</td>
<td>+19.2% (Mar 2021)</td>
<td>-18.0% (Sep 2022)</td>
<td>+1.0%</td>
</tr>
<tr>
<td>Since inception</td>
<td>+19.2% (Mar 2021)</td>
<td>-18.0% (Sep 2022)</td>
<td>+5.4%</td>
</tr>
</tbody>
</table>

**Investment objective**

A diversified portfolio, consisting of assets in liquid form and participatory interests of portfolios of collective investment schemes or other similar schemes, which invests into a wide range of asset classes including cash, fixed income, equities, commodities and property. The portfolio aims to provide a balance between capital preservation and capital growth over the full investment cycle. The Fund is ideally suited to investors with a medium risk tolerance with an investment horizon of 3 years or longer.

**Top holdings**

<table>
<thead>
<tr>
<th>Holdings</th>
<th>Asset type</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>PIMCO Global Bond</td>
<td>Fixed Income</td>
<td>25.9%</td>
</tr>
<tr>
<td>iShares Core MSCI World</td>
<td>Equity</td>
<td>21.2%</td>
</tr>
<tr>
<td>Cash</td>
<td>Equity</td>
<td>10.3%</td>
</tr>
<tr>
<td>iShares Global Corporate Bond</td>
<td>Fixed Income</td>
<td>10.0%</td>
</tr>
<tr>
<td>iShares Global Government Bond</td>
<td>Fixed Income</td>
<td>6.1%</td>
</tr>
<tr>
<td>iShares Global REIT</td>
<td>Fixed Income</td>
<td>4.8%</td>
</tr>
<tr>
<td>iShares Core MSCI Emerging Markets IMI ETF</td>
<td>Equity</td>
<td>3.9%</td>
</tr>
</tbody>
</table>

**Current asset allocation**

- Equity: 34.7%
- Global fixed income: 10.5%
- Global inflation linked: 4.6%
- Global credit: 9.7%
- Property: 1.5%
- Cash & money market: 32.3%

**Currency allocation**

- USD 59.5%
- EUR 16.3%
- GBP 4.3%
- JPY 11.8%
- Other 8.1%
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 8-10% 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 overlook 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 damage across financial markets so far this year might 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

**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. Investors are heavily dependent on central banks, with the Fed in the vanguard dispensing any doubts about their resolve to bring inflation rates 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.

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 deduction of all fees and charges and in US dollar terms. Forward pricing is used.

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 NAV charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.

Higher risk investments may be subject to sudden and large 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 non-investment grade debt.

Notwithstanding ongoing monitoring of 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 investment in the investor's income 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 permit dealing every day. Investments in such funds will only be realisable on their dealing days. It is not possible to assess the proper market price of the investments other than at the fund's dealing price.

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 purpose, the securities of the relevant group company are pledged. No scrip borrowing will be allowed. The Call is not permitted to enter into any form of borrowing or loan arrangement with other cells of the Company or otherwise 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 values of the investment, 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 dealer 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 investments, 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 advisor before proceeding with an investment.

Investors are reminded that any forecasts and/or commentary included in this MDD 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 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. For investment purposes only and has been prepared and is made available for the benefit of the investors in the Fund.

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Vickers & Peters Financial Planning (Pty) Ltd, a South African registered company, is the appointed Distribution Partner of the fund, with its registered office at 2nd Floor, 1 Melrose Boulevard, Melrose Arch, South Africa.

Northern Trust (Guernsey) Limited is the Custodian, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 71, Trafalgar Court, La Baques, St Peter Port, Guernsey, GY1 3DA.

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