

## VPFP International Cautious Fund

Month ended 28 February 2013

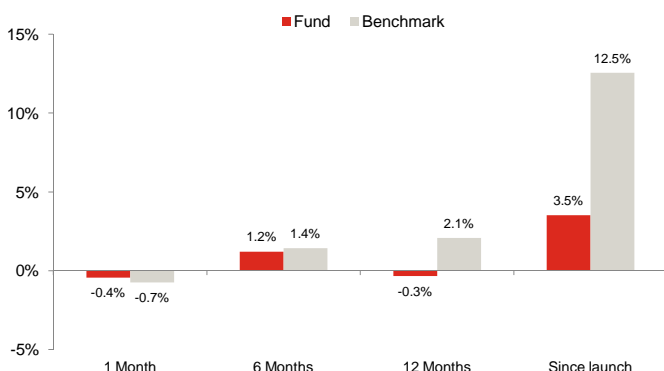
## ■ Fund details†

Investment manager: <b>Momentum Global Investment Management Limited**</b>	Sub-investment manager: <b>Ampersand Asset Management (Pty) Limited***</b>
Initial fee: <b>none</b> Minimum subscription: <b>USD 7,500</b>	Subscriptions / redemptions: <b>daily</b> Investment timeframe: <b>3 years +</b>
Benchmark: <b>30% MSCI AC World, 60% Citigroup WGBI, 10% Cash</b>	Fund type: <b>roll up, non distributor status</b> Currency: <b>USD</b>
Inception: <b>25 November 2009</b>	Price per share A: <b>USD 1.0352</b> Price per share B: <b>USD 1.0049</b>

## ■ 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 across all market sectors into a wide range of asset classes that includes cash, equity, fixed income, high yield and property investments. The portfolio aims to provide a balance between capital preservation and capital growth over the full investment cycle. The Cell is ideally suited to investors with an investment horizon of 3 years or longer.

## ■ Fund performance



Source: Lipper Hindsight, Northern Trust International Fund Administration Services (Guernsey) Limited.

Past performance is not indicative of future returns. The fund performance is calculated in a total return basis, net of all fees and in US dollar terms.

## ■ Investment statistics (since inception)

Cumulative return:	3.5%
Annualised return:	1.1%
Annualised volatility:	7.0%

## ■ Market commentary

Global equity markets had one of the most volatile months since August 2011, experiencing material declines as minutes from the January US Federal Open Market Committee (FOMC) meeting suggested a possible scaling back of the Fed's quantitative easing programme, causing fear of the effect this may have on the already sluggish US economic recovery. This was exacerbated by political uncertainty in Italy following the Italian parliamentary elections. Later in the month Fed Chairman Ben Bernanke reiterated the Central Bank's commitment to its quantitative easing programme, allaying fears and causing equity markets to generally change direction and end the month flat. In US dollar terms, developed markets gained 0.17%, while emerging markets remained in loss territory ending the month down 1.26%. Global bonds followed this trend, losing 1.22%.

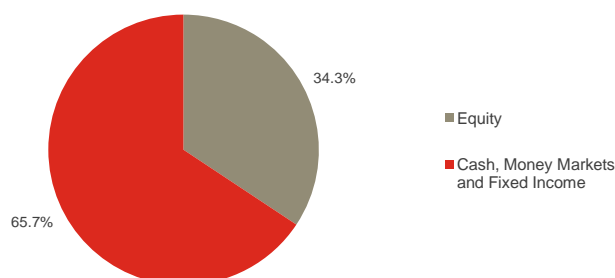
Volatility, as measured by the VIX Index, spiked a massive 19.3% on the release of the Fed's minutes, and a further 34% following the Italian government elections, but ended the month at a more reasonable level as sentiment picked up on the Fed's defence of its asset purchase program.

Global unemployment continues to tick up while inflation has declined in most major economies, leaving scope for prolonged relaxed monetary policy. Final GDP figures for the 4th quarter have so far improved, albeit at subdued levels.

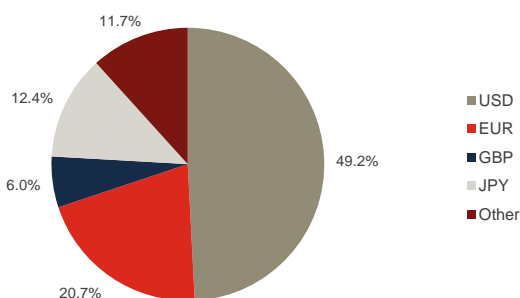
We remain cautiously optimistic, and maintain our overweight equity and underweight fixed interest position. We have moved from a predominantly passive strategy to a more active and index-enhanced strategy in the funds, as we believe the current market conditions and economic environment are conducive to active management, which can add considerable value from a performance and risk management perspective. We feel comfortable that this will enhance the fund returns going forward.

Source: Ampersand Asset Management (Pty) Limited, February 2013

## ■ Asset allocation



## ■ Currency allocation



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

† Please refer to the fund supplement and scheme particulars for a detailed description of fees and fund facts.

\* Formerly known as RMBIS Mutual Fund ICC Limited.

\*\* Formerly known as RMB Asset Management International Limited.

\*\*\* Formerly known as Celtis Capital (Pty) Limited.

## ■ Top holdings

Holdings	Asset type	Weight
Cash	Cash	19.5%
Coronation Global Strategic USD Income	Fixed Income	19.0%
PIMCO Diversified Income	Fixed Income	16.3%
iShares MSCI World	Equity	11.3%
Investec Global Franchise	Fixed Income	10.9%
Schroder QEP Global Core	Equity	10.9%
RE:CM Global	Equity	10.8%
iPath S&P 500 VIX Short-Term Futures ETN	Equity	1.3%

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

## ■ Risk warnings and important notes

Investment in the Fund may not be suitable for all investors and financial advice should be sought before proceeding with an investment. Past performance is not indicative of future returns and there can be no assurance that the performance of the Fund will achieve its stated objective. All performance is calculated on a total returns basis, net of all fees and commissions and in US Dollar terms. Daily forward pricing is used for this Fund.

Collective investments are generally medium to long term investments and are traded at ruling prices. The value of the Fund and any income arising from it are not guaranteed and may fall, as well as rise, due to the value of its holdings, the income derived from them, and changes in interest rates. The Fund may hold shares or units in underlying funds which invest internationally, which will be exposed to exchange rate fluctuations, and may erode any potential gains.

Higher risk investments, such as small companies (even in developed markets), emerging markets, single country debt, equity funds, high yield and sub-investment grade debt may be more prone to sudden and larger falls in value in comparison to other investments. Unregulated funds may permit a greater degree of leverage than is permitted with regulated funds that are available to the general public in South Africa, which increases volatility and the risk of larger losses should the fund's value decrease.

The Fund may contain shares or units in underlying funds that do not permit dealing every day. It is not possible to immediately assess the proper market price of these investments, as they will only be realisable on their dealing days.

A fund of fund collective investment scheme only invests in other collective investments, which levy their own charges. The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and are subject to change thereby impacting the Fund's performance. Commissions and incentives may be paid and, if so, would be included in the overall costs. Deductions of charges and expenses mean that you may not get back the amount you invested.

Momentum Global Investment Management Limited is the Investment Manager, authorised and regulated by the UK Financial Services Authority, with its registered address at 20 Gracechurch Street, London EC3V 0BG. Momentum Global Investment Management Limited is also an authorised Financial Services Provider pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

Momentum Mutual Fund ICC Limited is an incorporated cell company governed by the provisions of the Companies (Guernsey) Law 2008 as amended. Prior to its incorporation as an incorporated cell company on 19 January 2007, it was registered as a protected cell company on 20 February 2006. It is authorised as a Class B Collective Investment Scheme by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law 1987, as amended. In giving this authorisation the Guernsey Financial Services Commission do not vouch for the financial soundness of Momentum Mutual Fund ICC Limited or for the correctness of any of the statements made or opinions expressed with regard to it.

VPPF International Cautious Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 50897.

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This document should be read in conjunction with the Prospectus of Momentum Mutual Fund ICC Limited and the Fund Supplement, in which all the current fees and expenses charged to the Fund are disclosed. For a detailed description of such fees and expenses, please refer to these Scheme Particulars which are available upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF.

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