

VFPF International Cautious Fund

Month ended 30 September 2014

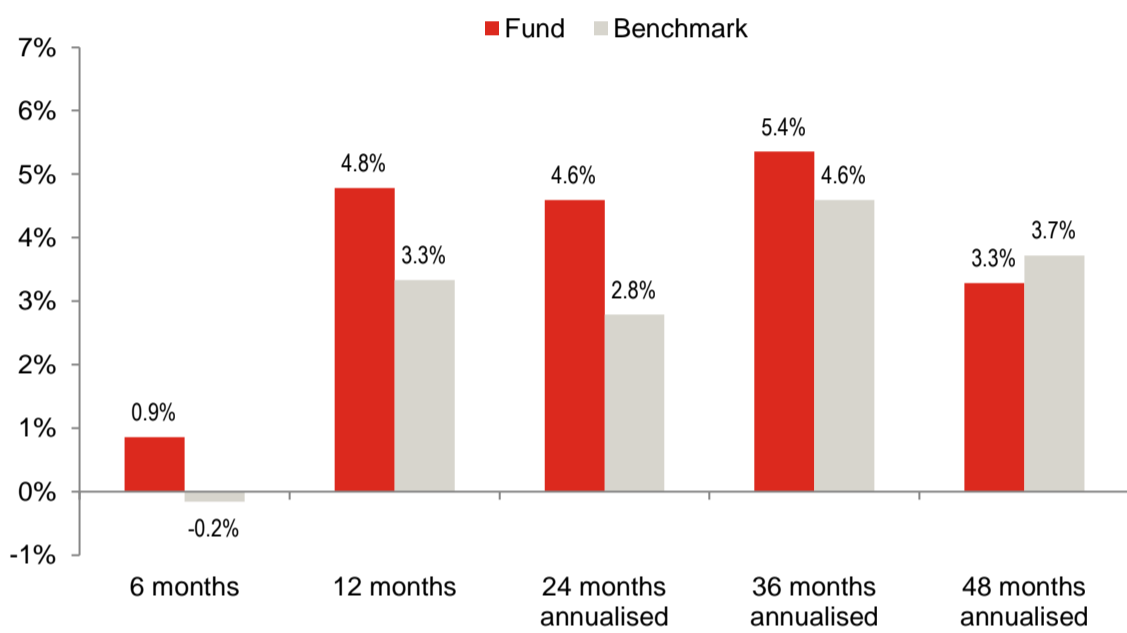
Fund details†

Investment manager: Momentum Global Investment Management	Sub-investment manager: Ampersand Asset Management (Pty) Limited*	
Initial fee: none Minimum subscription: USD 7,500	Subscriptions / redemptions: daily	Investment timeframe: 3 years +
Benchmark: 30% MSCI AC World, 60% Citigroup WGBI, 10% Cash	Fund type: roll up, non distributor status	Currency: USD
Inception: 25 November 2009	Price per share A: USD 1.1264	Price per share B: USD 1.0892

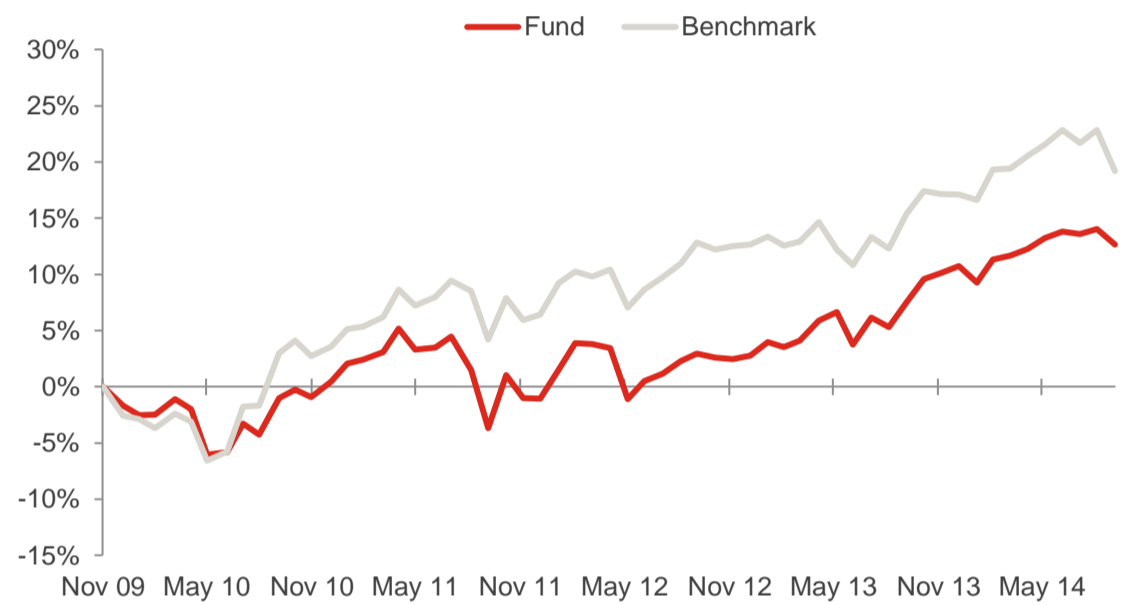
Investment objective

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



Cumulative returns



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.

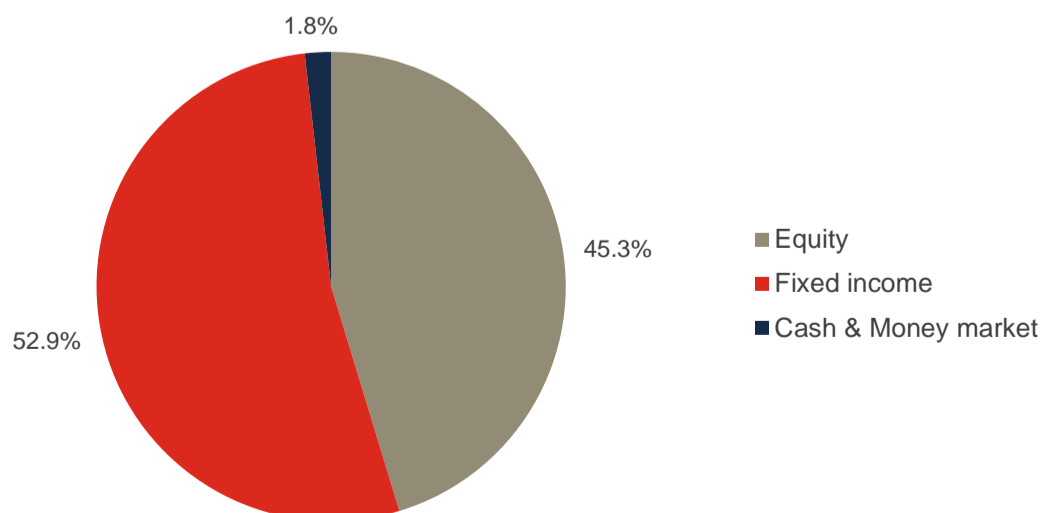
Top holdings

Holdings	Asset type	Weight
PIMCO Global Bond	Fixed Income	18.1%
Prescient Global Income	Fixed Income	17.7%
Coronation Global Strategic USD Income	Fixed Income	17.1%
RE:CM Global	Equity	12.7%
Nedgroup Global Flexible	Equity	12.7%
Epoch Global Choice	Equity	10.0%
Investec Global Franchise	Equity	9.9%
Cash	Cash	1.8%

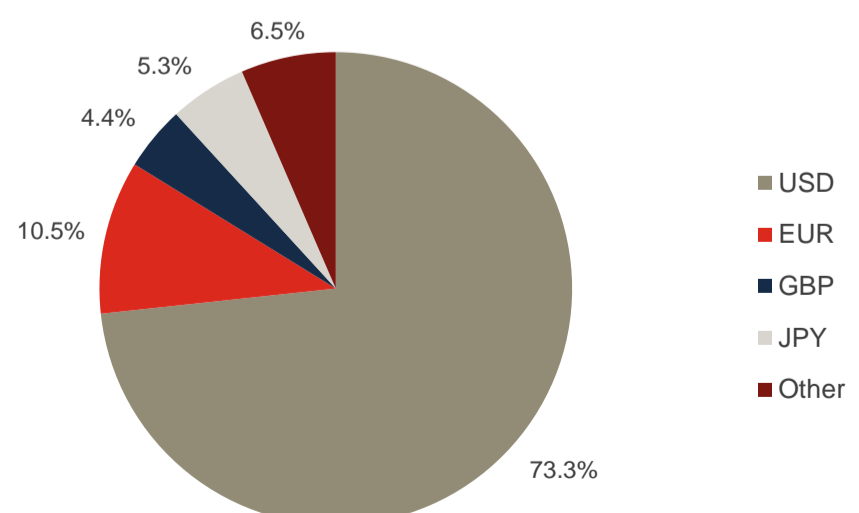
Investment statistics (since inception)

Cumulative return:	12.6%
Annualised return:	2.5%
Annualised volatility:	6.3%

Strategy allocation



Currency allocation



Sources: Morningstar, Lipper Hindsight, Ampersand Asset Management (Pty) Limited, Momentum Global Investment Management, 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 Celtis Capital (Pty) Limited.

■ Market commentary

Global markets were negative this month with the MSCI World Index declining -3.2% and global bonds declining -3.0% in US dollar terms. The US dollar strengthened by 4.1% against the euro and 2.4% against the British pound.

The US FOMC continued to taper its quantitative easing programme by a further \$10 billion and kept the interest rate unchanged. CPI contracted by 0.3% to 1.7%, unemployment declined to 6.1% and Q2 2014 GDP expanded to 4.6% from -2.1% in Q1 2014. Recent economic data out of the US has been positive, however the labour market remains sluggish; and a sustained decrease is needed before the economy is able to withstand a rate hike.

The ECB unexpectedly cut rates further to new record lows. The benchmark interest rate was cut from 0.15% to 0.05%, the marginal lending facility rate was cut from 0.4% to 0.30% and deposit facility rates were cut from -0.10% to -0.20%. The ECB also announced its own asset purchase programme which will buy asset-backed securities and covered bonds, with effect from October 2014. These moves are intended to add liquidity to the financial system and revive lending in order to stave off the threat of deflation and spur economic growth.

Japan saw a sharp contraction in GDP from 6.0% annualised growth in Q1 2014 to -7.1% in Q2 2014, a greater set back than anticipated due to the sales tax increases in 2014. CPI remains subdued as consumer spending slowly recovers from the tax increase.

Globally data has been turbulent. We anticipate more uncertainty going forward particularly around global economic expansion and the interest rate environment. The BOJ, PBOC and ECB have further scope to advance monetary stimulus in a fledgling economic recovery. We thus believe being more cautious is the most appropriate strategy at present. Diversification remains key.

Source: Ampersand Asset Management (Pty) 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.

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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.

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

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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