

# VFPF International Cautious Fund

Month ended 31 August 2016

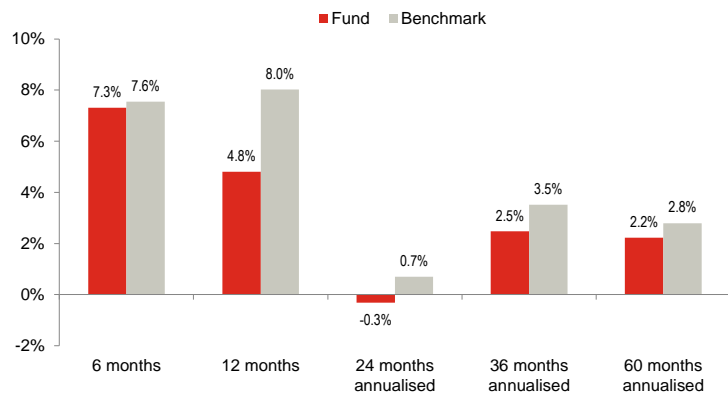
## Fund details†

Investment manager: <b>Momentum Global Investment Management</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 1.1333</b> Price per share B: <b>USD 1.0905</b>

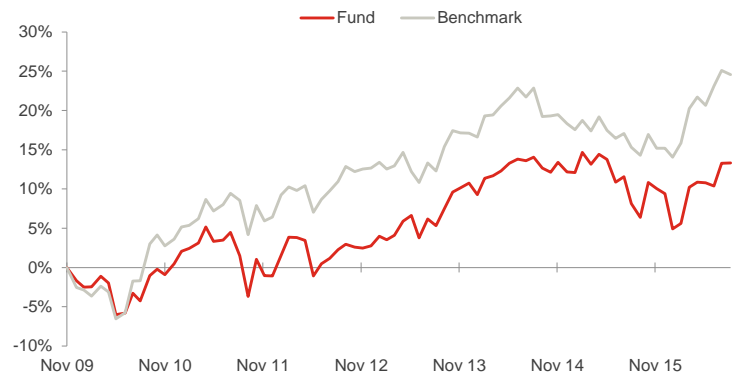
## Investment objective

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 Fund 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.

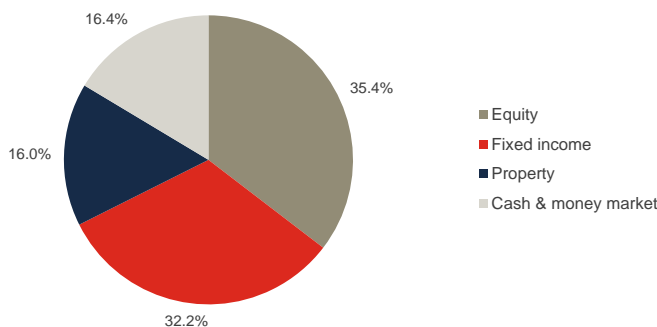
## Top holdings

Holdings	Asset type	Weight
PIMCO Global Bond	Fixed Income	18.2%
Investec Global Franchise	Equity	12.3%
Schroder Global Recovery	Equity	11.8%
Nedgroup Global Flexible	Equity	10.1%
Cash	Cash	9.8%
Epoch Global Choice	Equity	9.2%
Sesfikile Global Property	Property	7.8%
Prescient Global Income	Fixed Income	7.7%
Sanlam Grindrod International Property	Property	7.5%
Coronation Global Strategic USD Income	Fixed Income	5.6%

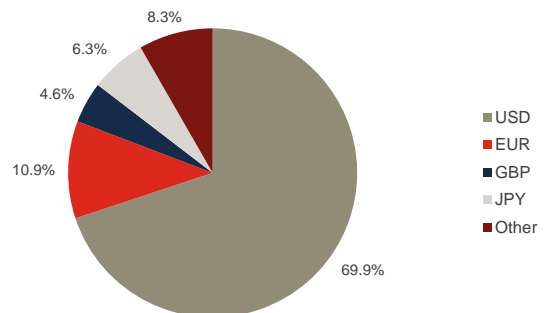
## Investment statistics (since inception)

Cumulative return:	13.3%
Annualised return:	1.9%
Annualised volatility:	6.5%

## Asset 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.

\*\* Asset allocation figures look through to the holdings of underlying collective investment schemes.

## ■ Market commentary

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Global markets were positive throughout August with the MSCI AC World index gaining 0.34%. Emerging markets continued to outperform developed markets, gaining 2.49% and 0.08% respectively in US dollar terms. Global bonds lost -0.84% in US dollar terms.

The British economy held up relatively well post-Brexit. Exports in the manufacturing sector have increased on the back of the rapid depreciation in the value of the pound relative to the US dollar. Prime Minister May indicated that negotiations around leaving the EU were only likely to start in 2017 and the whole process is expected to take several years to conclude.

US economic data remained generally positive. Over the second quarter, the economy was supported by strong growth in consumer spending. The unemployment rate remained steady at 4.90%. Federal Reserve ("Fed") chair, Janet Yellen, noted that the labour market had continued to perform solidly. Most economists now believe that the Fed will raise interest rates in December after the presidential elections on 8 November.

Market participants remain cautious based on the uncertainty regarding the possible impact of the US Federal Reserve raising rates in a global environment where most other central banks are being forced to continue to stimulate their own lagging economies. We believe this could result in continued volatility in growth and other risk assets which call for a measured approach, yet we remain confident that this will also bring opportunities as we remain focused on the longer term fundamentals.

Source: Ampersand Asset Management (Pty) Limited

## ■ Risk warnings and important notes

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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 will 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 Conduct Authority, with its registered address at The Rex Building, 62 Queen Street, London EC4R 1EB. 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.

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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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