

VFPF International Cautious Fund

Month ended 29 March 2018

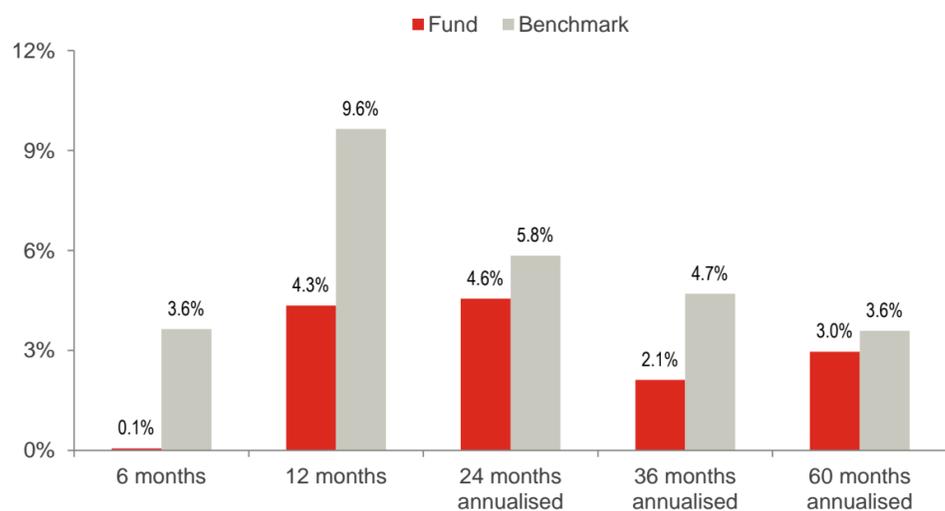
Fund details[†]

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 1.2047 Price per share B: USD 1.1547

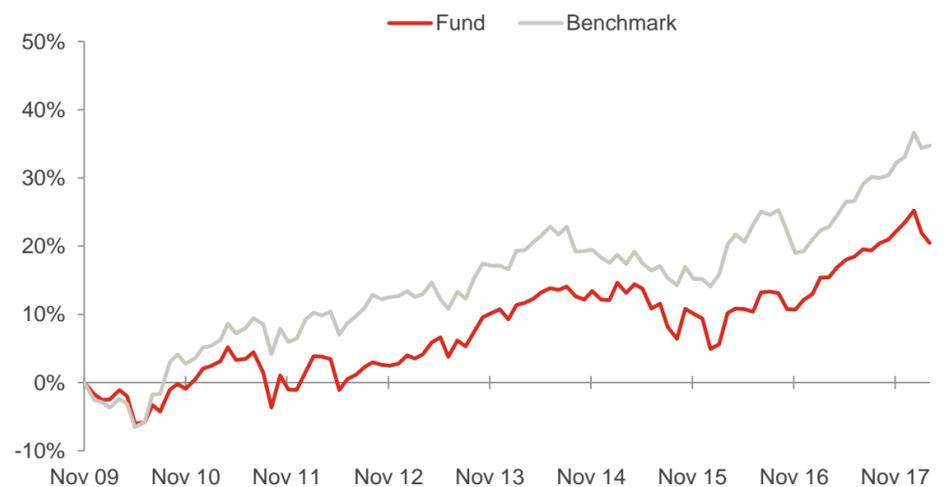
Investment objective

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.

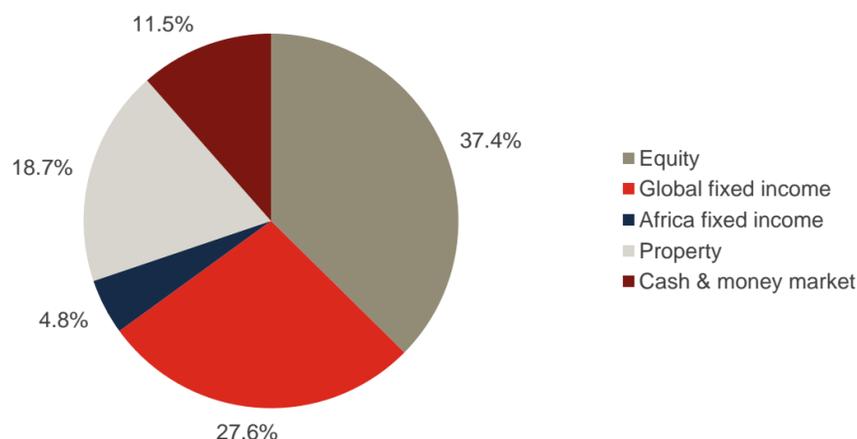
Top holdings

Holdings	Asset type	Weight
PIMCO Global Bond	Fixed Income	13.7%
Schroder Global Recovery	Equity	13.4%
Prescient Global Income	Fixed Income	12.8%
Investec Global Franchise	Equity	10.2%
Nedgroup Global Flexible	Equity	10.0%
Nedgroup Global Equity	Equity	9.5%
Sesfikile Global Property	Property	7.7%
Bridge Global Property Income	Property	7.6%
Cash	Cash	5.0%
Saffron African Yield Opportunity	Alternatives	4.9%

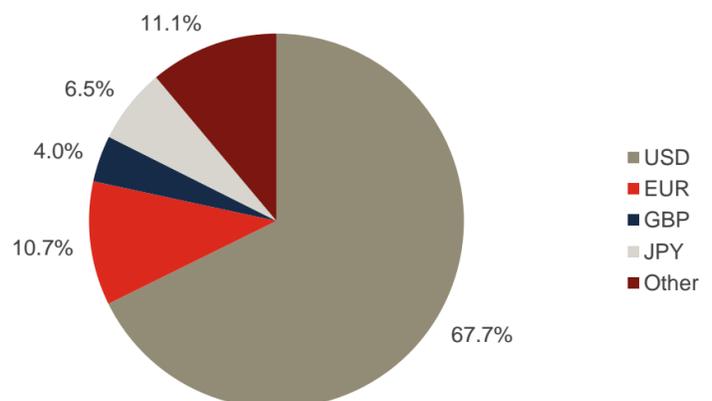
Investment statistics (since inception)

Cumulative return:	20.5%
Annualised return:	2.3%
Annualised volatility:	6.1%

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.

^{*} Asset allocation figures look through to the holdings of underlying collective investment schemes.

■ Market commentary

Global equity markets stumbled mid-month after China and the European Union threatened to retaliate to President Trump's decision to impose hefty tariffs on steel and aluminium. The MSCI All Countries World Index ended the month down 2.1%, with developed equity markets falling 2.2%, led by the US. Europe and Japan fared better in dollar terms, after the euro and yen appreciated by 1.1% and 0.4% respectively against the dollar, while emerging markets also offered a degree of protection (-1.9%).

US Treasuries rose 1% over the month as investors sought protection, with yields on the US 10 year Treasury falling from 2.9% – their highest level in four years – to 2.7%. Lower risk appetite was mirrored in the fixed income markets, with credit spreads increasing over the month. Property securities enjoyed a good month following a difficult start to the year, adding +2.2% in dollar terms. Gold offered some protection, up 0.5%, but failed to break out from its recent trading range at around \$1,340.

The revival of trade war fears overshadowed most other economic news in the month. While new steel and aluminium tariffs in the US are only expected to have a minor effect on the economy, retaliatory moves by America's trading partners pose a risk to global confidence and investment, as highlighted by the IMF.

European equities barely reacted to an uncertain outcome in the Italian general election at the start of the month, despite a higher percentage of votes being allocated to populist parties. A failure to deliver on growth and employment mandates has frustrated Italian voters, who have turned to more populist movements to deliver on macroeconomic policies.

In Japan, investor sentiment was weighed down by a scandal implicating Prime Minister Shinzo Abe and Finance Minister Taro Aso, relating to a discounted sale of state-owned land to a school operator.

Central bank policy action remains the key for markets in the short term despite the rise in protectionist trade policies (much of which is likely to be watered down in subsequent negotiations) and rising tensions over Syria. Having been net contributors to global liquidity since the financial crisis, central banks will together be withdrawing liquidity by year end. This is likely to keep bond markets under pressure with yields rising further, which in turn lifts the valuation hurdle for equity markets.

Source: Bloomberg, Momentum Global Investment Management 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 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.

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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.

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

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 pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

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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