

# VFPF International Growth Fund

Month ended 28 August 2015

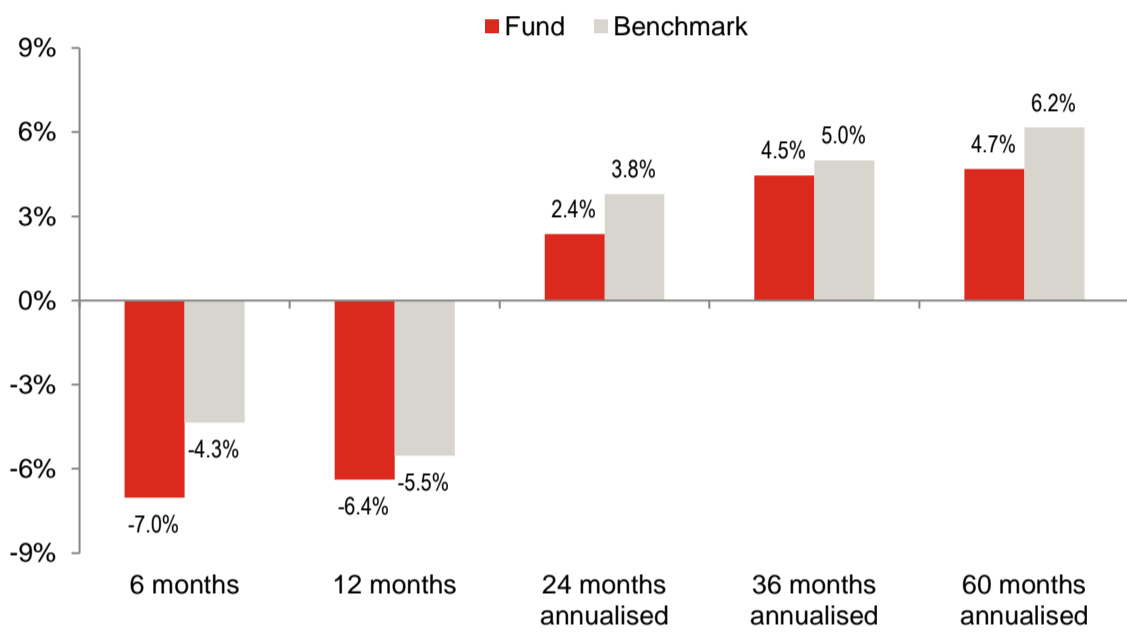
## Fund details†

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>5 years +</b>
Benchmark: <b>60% MSCI AC World, 30% 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 1.2074</b> Price per share B: <b>USD 1.1907</b>

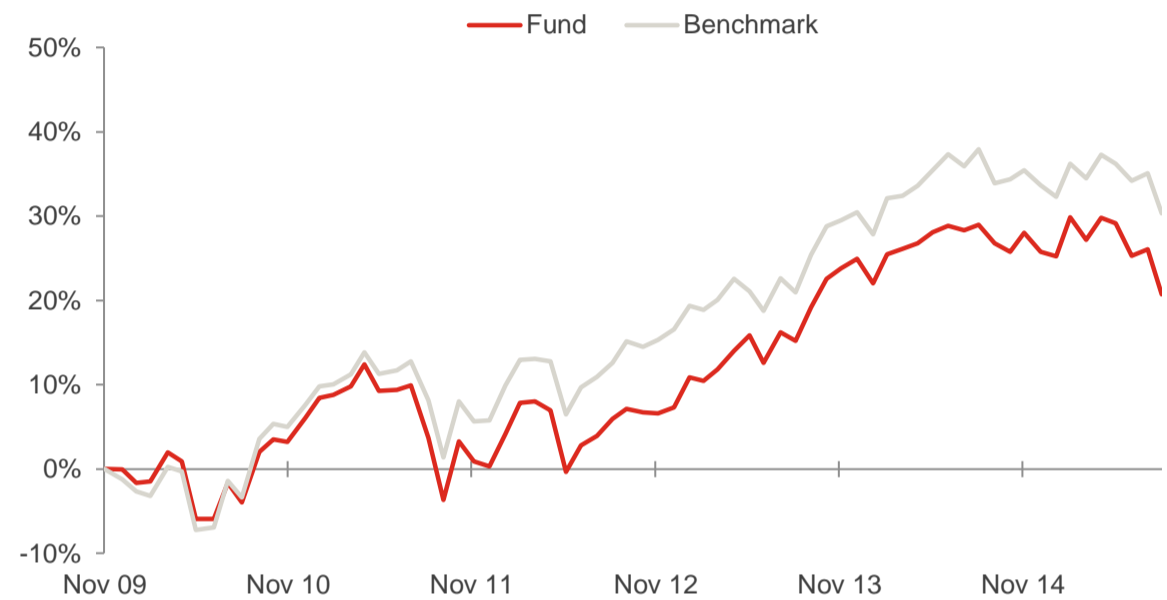
## Investment objective

The Fund focuses primarily on long-term capital growth over the full investment cycle through a relatively high exposure to international growth assets. The portfolio will retain a good level of diversification, however, and will invest in a wide range of asset classes including cash, bonds, equities and property. The Fund is ideally suited to investors with an investment horizon of 5 years or longer and an intermediate (between moderate and high) risk tolerance.

## 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.

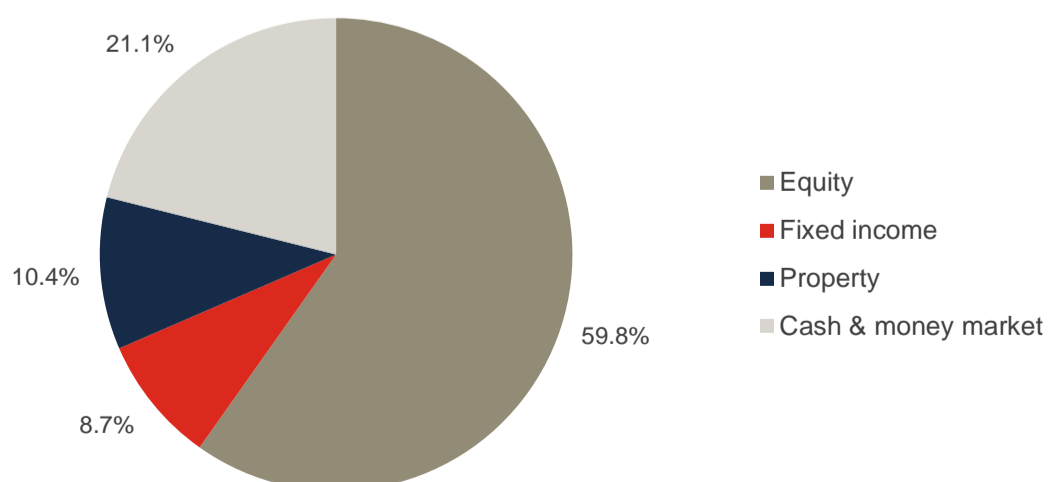
## Top holdings

Holdings	Asset type	Weight
Epoch Global Choice	Equity	19.8%
Investec Global Franchise	Equity	19.8%
Nedgroup Global Flexible	Equity	19.0%
Schroder Global Recovery	Equity	14.5%
PIMCO Global Bond	Fixed Income	9.1%
Cash	Cash	7.3%
New Street Global Real Estate	Property	5.4%
Sanlam Grindrod International Property	Property	5.1%

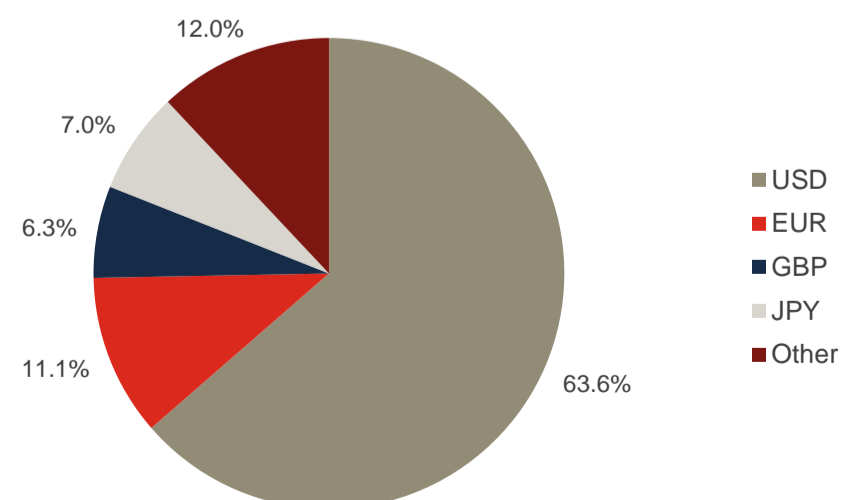
## Investment statistics (since inception)

Cumulative return:	20.7%
Annualised return:	3.3%
Annualised volatility:	9.6%

## 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

Global equity markets experienced significant volatility in August causing investors to abandon their equity positions and turn to the safety of cash. The MSCI AC World Index ultimately ended the month down -6.9% in US dollar terms after hitting rock bottom on 24 August 2015.

Up until 24 August the best performing market was Japan, which lost -7.2%, while the worst performing market was Taiwan which lost -18.1%. Emerging Markets were hit the hardest with Brazil (-16.4%), Russia (-16.2%), China (-13.9%) and India (-11.4%) feeling the brunt of the pain. Even the mighty US (-9.9%) and Germany (-10.0%) experienced massive losses, reiterating the level of panic that set in. Global bonds were up a marginal +0.5%. All figures are based in USD.

EM currencies have also weakened significantly. From the beginning of 2015 to end July 2015 the Brazilian real has declined by a massive -22.1%, followed by the Colombian peso (-16.9%) and the Turkish lira (-15.4%).

US CPI rose marginally to 0.2% year-on-year from 0.1% in June. Core inflation, excluding food and energy, remained unchanged at 1.8% year-on-year. Core inflation has been below the US inflation target of 2% since February 2013.

US unemployment remained unchanged at 5.3%. The labour market participation rate also remained unchanged at 62.6%. Overall, the labour market participation rate is still extremely low by historical standards, but appears to have bottomed.

The Japanese economy shrank into deflationary territory in Q2 (-1.6%) from growth of 4.5% in Q1 2015, as exports slumped and consumers cut back spending. This was the first decline since Q2 2014 when a sales tax hike hit consumption.

Concerns remain around global economic conditions and asset class valuations, and as a result we continue to favour a diversified and more conservative approach in the portfolios. We have also favoured low risk fixed income assets which has provided additional support.

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 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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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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