

# VFPF International Growth Fund

Month ended 28 February 2017

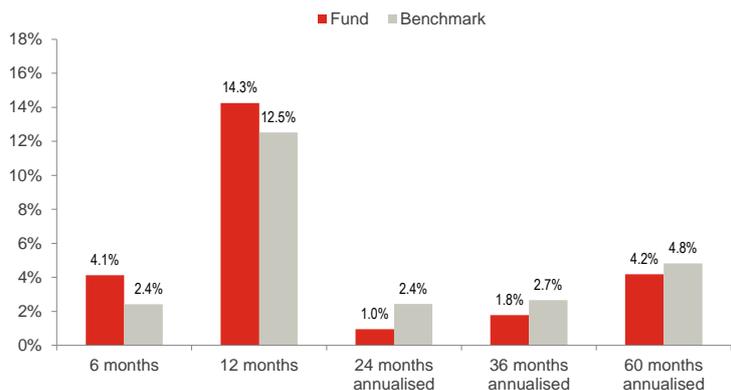
## Fund details†

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 1.3234</b> Price per share B: <b>USD 1.3003</b>

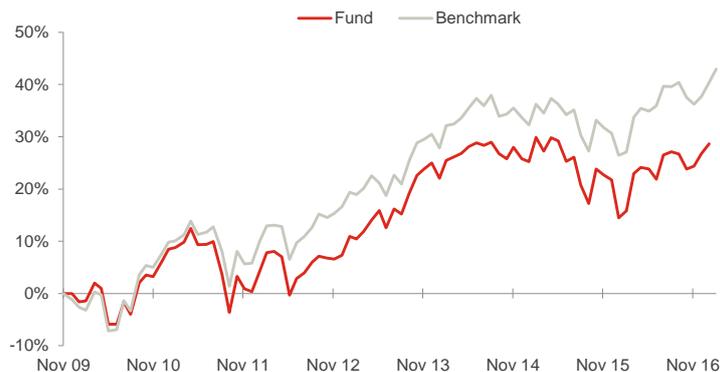
## Investment objective

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.

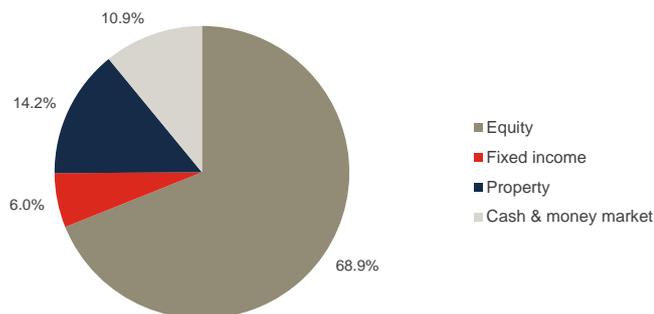
## Top holdings

Holdings	Asset type	Weight
Schroder Global Recovery	Equity	23.0%
Investec Global Franchise	Equity	20.5%
Nedgroup Global Flexible	Equity	20.3%
Epoch Global Choice	Equity	14.0%
Sanlam Grindrod International Property	Property	7.5%
Sesfikile Global Property	Property	7.5%
PIMCO Global Bond	Fixed Income	6.1%
Cash	Cash	1.1%

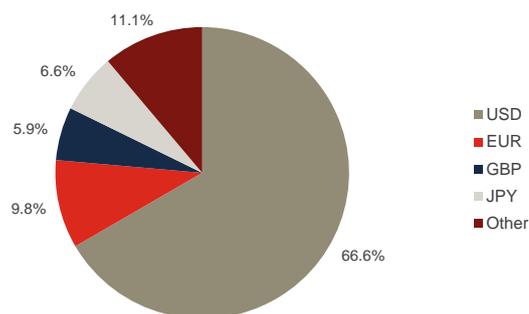
## Investment statistics (since inception)

Cumulative return:	32.3%
Annualised return:	3.9%
Annualised volatility:	9.7%

## 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 continued to produce positive returns in February. In US dollar terms, the MSCI AC World index rose 2.81% supported by healthy gains in emerging markets (3.06%), while the developed market followed suit, increasing by 2.77%. Global bonds ended the month positive 0.43%.

It appears increasingly likely that the US Federal Reserve ("Fed") will raise official interest rates at their policy meeting in March by 25 basis points. The Fed's own estimation of hikes is characteristically hawkish, with the Federal Open Market Committee ("FOMC") seeing three hikes of 25 basis points for the year.

The Trump administration announced US\$800 billion worth of infrastructure developments and tax savings. This will most likely enhance the US economy as well as US inflation.

Political clouds continue to loom over the Eurozone's economic outlook. Consumer confidence contracted in the first two months of 2017. On the bright side, headline inflation picked up sharply to 1.80% year-on-year.

Emerging market recovery was mostly driven on the back of China. Recessionary conditions persisted in Brazil.

Over the past 18 to 24 months we continued to increase the effective diversification while reducing the overall risk within all our portfolios as we were not completely comfortable with the dominant narrative in the broader market. We remain concerned about low levels of realised volatility versus high levels of perceived uncertainty, however structurally we need to retain growth assets in the portfolio to ensure we achieve our longer term objectives. We continue to focus our attention on consistently applying our philosophy and process to ensure we meet our investment objectives over the long term. We need to urge investors to remain patient and committed to their chosen investment strategy as negative surprises are possible.

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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VPPF International Growth Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 50898.

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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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