

VFPF International Growth Fund

Month ended 28 February 2018

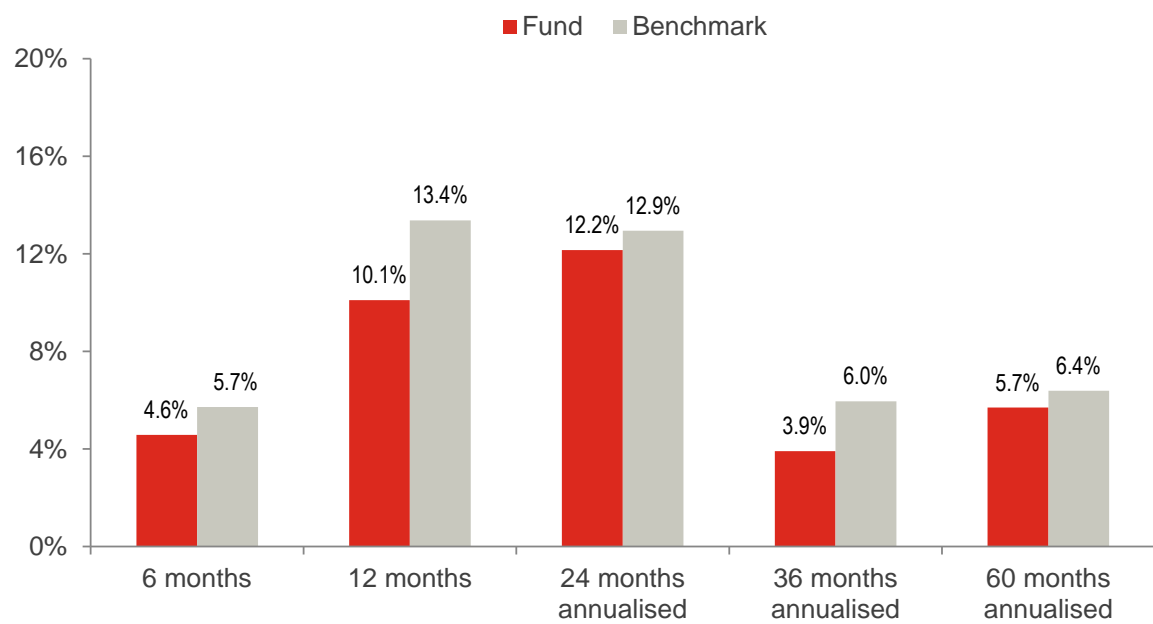
Fund details[†]

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: 5 years +
Benchmark: 60% MSCI AC World, 30% Citigroup WGBI, 10% Cash	Fund type: roll up, non distributor status Currency: USD
Inception: 25 November 2009	Price per share A: USD 1.4570 Price per share B: USD 1.4279

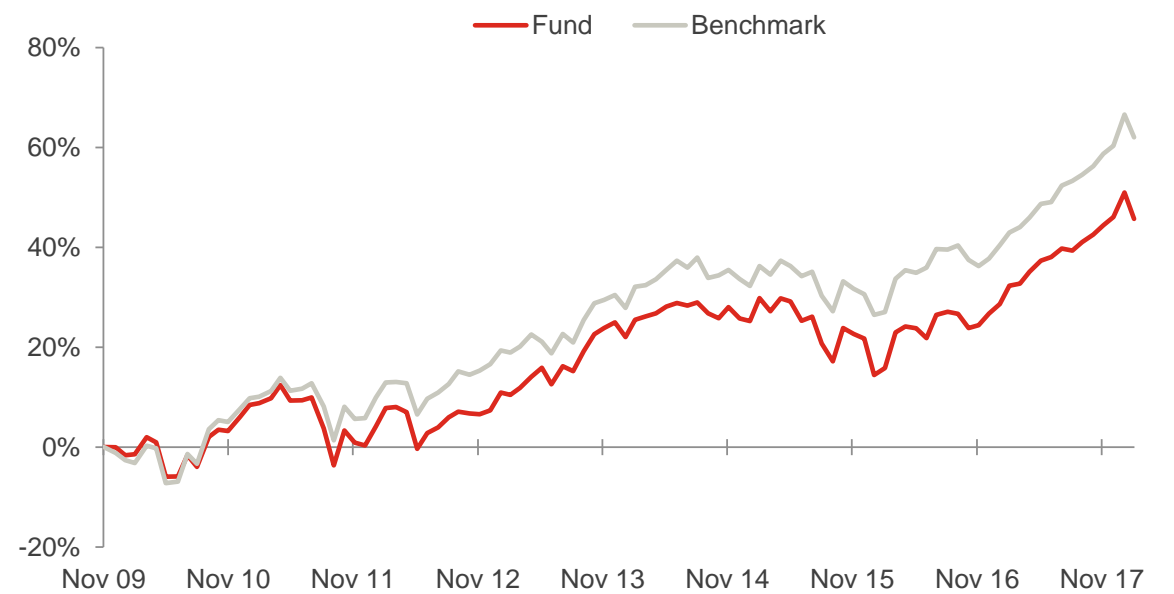
Investment objective

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.

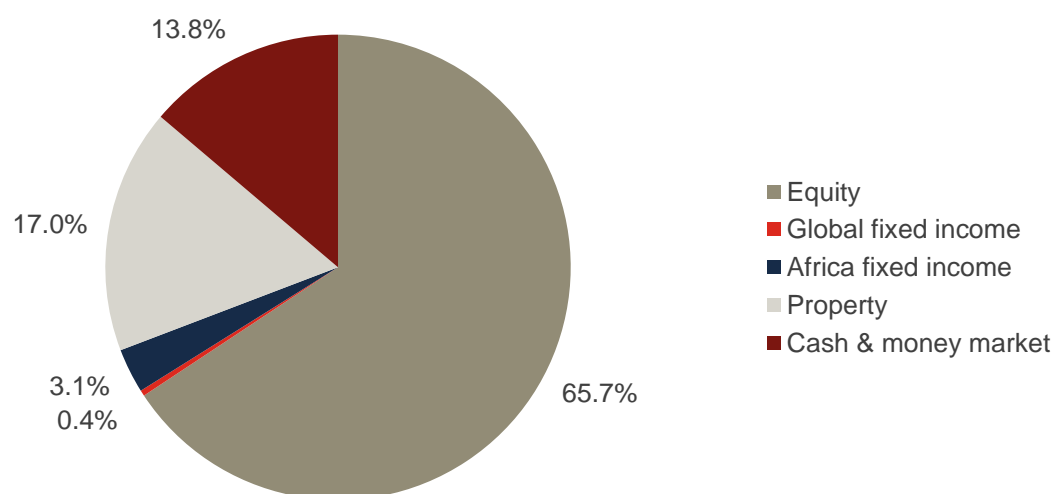
Top holdings

Holdings	Asset type	Weight
Schroder Global Recovery	Equity	24.3%
Investec Global Franchise	Equity	20.5%
Nedgroup Global Flexible	Equity	17.7%
Nedgroup Global Equity	Equity	14.6%
Sesfikile Global Property	Property	6.2%
Bridge Global Property Income	Property	6.2%
Nedgroup Global Property	Property	4.4%
Saffron African Yield Opportunity	Alternatives	3.4%
Cash	Cash	2.4%
PIMCO Global Bond	Fixed Income	0.3%

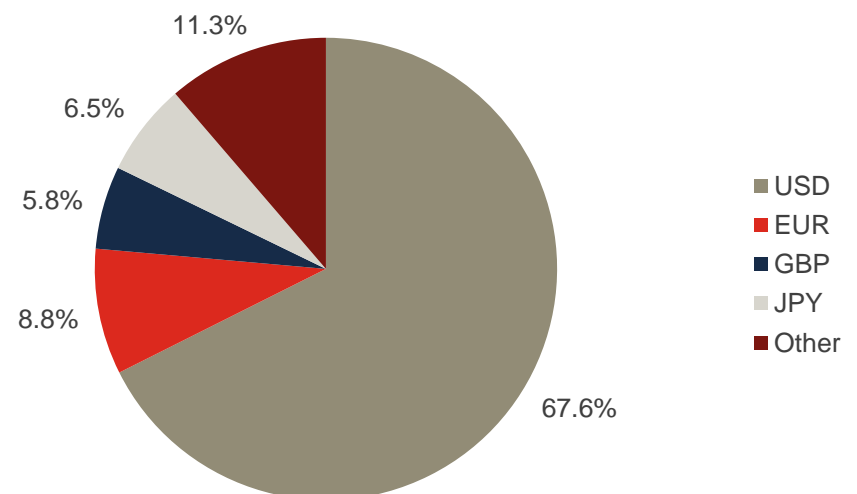
Investment statistics (since inception)

Cumulative return:	45.7%
Annualised return:	4.7%
Annualised volatility:	9.3%

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 began to fall sharply at the end of January due to concerns that higher-than-expected inflation would lead to a more rapid tightening of interest rates in the US. Market stresses were reflected in a jump in the price of listed options, with implied volatility trebling over the course of several days. Investor anxiety subsided in the second half of the month however, as equity bulls argued that tightening policy would not stall the economy. Despite gains in the latter half of the month, the MSCI All World Index still ended February down 4.2%.

Developed markets fell 4.1% while emerging markets fell further, down 4.6%, despite holding up better at the start of the sell off. European equities finished the month 5.3% lower in dollar terms. Gains in the second half of the month were unable to fully offset the worst one week fall in two years during the second week of February. The Japanese Topix Index plunged 7.4% in the second week of February, but staged a partial recovery in the second half of the month, in line with a rise in US stocks and an arrest in yen appreciation. The Topix ended the month down 3.7%, -1.3% in dollar terms. Bonds also fell, with yields on 10 year US Treasuries rising a further 16 basis points to 2.9%.

US core inflation, which excludes volatile food and energy prices, rose marginally above consensus to 1.8% year-on-year. Similarly, headline inflation increased to 2.1%, ahead of expectations for a rise of 1.9%. Other measures of inflation are also pointing to an uptick in price pressures in the US: the Underlying Inflation Gauge, developed by the New York Federal Reserve, estimated underlying inflation at 3% in January 2018, while surveys of manufacturers showed an increase in price pressures.

Although upward pressure on wages and previous dollar weakness should feed into higher rates of inflation, technological advances (including automation) and structurally higher rates of underutilisation in certain sectors are likely to cap price pressures overall and hence we continue to expect the Fed to be able to continue raising interest rates in a measured fashion.

In the Eurozone, real GDP grew by 0.6% in the final quarter of 2017, leaving full-year growth at a healthy rate of 2.5%. With consumer confidence having reached a 16-year high in January 2018, the outlook for household consumption remains bright. In addition, easy monetary conditions remain supportive of economic growth, while business investment is also set to be positive in the medium term.

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.

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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VFPF 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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