

Ampersand Momentum CPI Plus 2 Fund of Funds

Momentum Collective Investment Scheme (CIS) portfolio

Class A | Minimum Disclosure Document (MDD) as at 31 August 2016

Assets managed by: Ampersand Asset Management

Portfolio profile

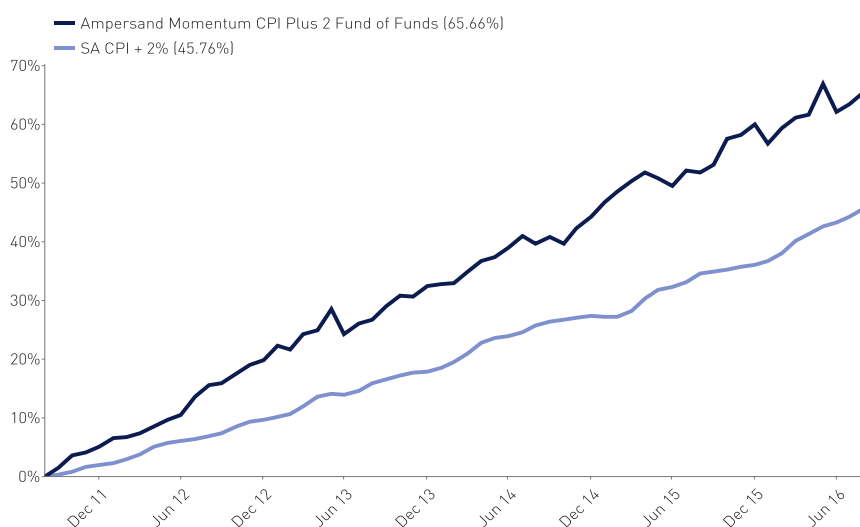
The fund is a cautious multi-managed portfolio that focuses on providing investors with long term real returns and a high degree of capital stability over the short term. The fund will aim to capture a degree of positive market movements while providing significant protection in difficult periods. The fund is part of the SA Multi-Asset Low Equity ASISA category and is limited to holding between 20% and 30% equity assets.

Investment strategy

The fund will invest in a diversified pool of assets with various different investment strategies and investment managers being utilised to achieve its objectives. The fund can include both active and passive strategies to achieve the set objectives. The fund's primary objective is to provide outperformance of SA CPI plus 2% p.a. over a rolling 3 year basis with a secondary objective where the fund aims to provide capital protection over all rolling 12 month intervals.

Portfolio performance

5 year cumulative performance graph



Annualised performance

	1 year	3 years	5 years	7 years	Launch
Fund	9.16%	9.34%	10.62%	9.91%	9.26%
Benchmark	8.24%	7.92%	7.83%	7.44%	8.02%
Sector	7.54%	8.66%	10.02%	9.40%	8.69%
Rank	15/124	35/92	29/76	23/65	18/53
High ^[1]	12.70%	10.27%	15.61%	15.61%	17.16%
Low ^[1]	6.45%	8.60%	8.60%	7.58%	3.76%
Cash	7.03%	6.32%	5.96%	6.16%	6.90%
Inflation	6.03%	5.78%	5.72%	5.36%	5.83%

^[1] High/Low – highest/lowest individual 1 year return of the portfolio during the period detailed.

Portfolio information

Portfolio inception	12 May 2008
Portfolio size	R 1.51 billion
Launch date	12 May 2008
Launch price	100.00 (cpu)
Latest price (31/08/2016)	158.91 (cpu)
Benchmark	CPI + 2% (after fees)
ASISA sector	SA - Multi Asset - Low Equity

Codes

JSE	VPCFC
ISIN	ZAE000118964

Minimum investment

Lump sum	R 10,000	Monthly	R 1,000
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Portfolio managers

Tom Barlow, BCom (Economics), CFA

Portfolio charges and ratios

Initial management fee	0.00% (incl. VAT)
Initial advisory fee	0% - 3.42% (incl. VAT)
Annual management fee	0.798% p.a. (incl. VAT)
Annual advisory fee	0% - 1.14% (incl. VAT)

Cost ratios (incl. VAT):

TER (%)	TC (%)	TIC (%)
1.56%	0.01%	1.56%

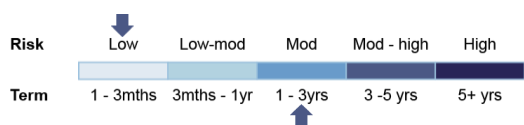
TER (%): Total Expense Ratio, TC (%): Transactions Costs Ratio, TIC (%): Total Investment Charges (TER (%) + TC (%))
Please see Disclosures section for further information on cost ratios

Income distribution (cpu)

	Dividend	Interest	Total
Jun'15	0.451	0.871	1.322
Nov'15	0.469	1.077	1.552
Dec'15	0.000	0.000	0.000
Jun'16	0.970	2.190	3.160
Sep'15 - Aug'16	1.439	3.267	4.712

Distribution takes place Semi-annually : June, December

Risk/reward profile and 3 year statistics



Standard deviation ¹⁾	4.24
Sharpe ratio ²⁾	0.68
Information ratio ³⁾	0.08
Largest negative monthly return	-2.83
Number of positive months	28 / 36

¹⁾Standard deviation – measures the volatility of fund returns ²⁾Sharpe ratio – fund return minus cash return (STeFI composite), divided by the Standard deviation (of fund returns)

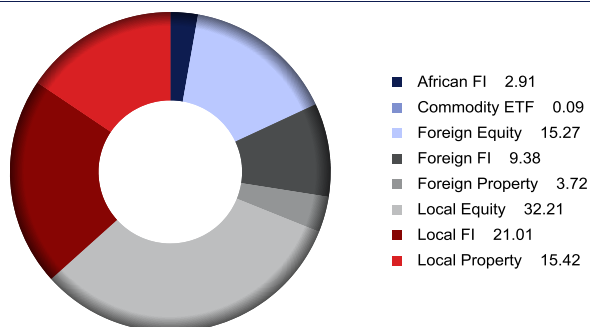
³⁾Information ratio – return per unit of risk against the benchmark

Specific risks

The fund is permitted to invest in foreign securities which, within portfolios, may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Holdings

Asset type allocation (%)



Portfolio holdings (%)

VFPF International Cautious IC A	26.38
Saffron MET Inflation Linked Bond B	18.72
Ampersand Momentum Equity B	16.87
Ampersand Momentum Flex Property Inc	15.64
Saffron MET Opportunity Income C1	10.70
Element Specialist Income C	3.92
Coronation Strategic Income B3	2.93
Saffron African Yield Opportunity B	2.67
Saffron MET Top 20 B	0.88
Saffron MET Inflation Linked Bond ABIL RF	0.36
Saffron MET Opportunity Income ABIL RF A	0.16
Local Cash/Money Market	0.77

Portfolio objective/investment policy

The Ampersand Momentum CPI Plus 2 Fund of Funds portfolio is an asset allocation fund of funds portfolio. The portfolio aims to generate positive returns over the short term while beating inflation by two percent over a three-year rolling period. The portfolio will be managed to achieve stable growth and will comply with the Prudential Investment Guidelines at all times. In order to achieve this objective, the assets normally included in the portfolio will consist of assets in liquid form and participatory interests of portfolios of collective investment schemes or other similar schemes in equity, bond, money or property markets, registered in South Africa, or portfolios of collective investment schemes or other similar schemes operated in territories with a regulatory environment which is of a sufficient standard to provide investor protection at least equivalent to that in South Africa. The portfolio may invest in multi-asset class portfolios and is not limited to certain asset classes. The manager will be permitted to invest on behalf of the portfolio in offshore investments as permitted by legislation. The portfolio will aim to achieve a minimum of 20% and a maximum of 30% in equity exposure. The trustees shall ensure that the investment policy is adhered to, provided that nothing shall preclude the manager from varying the ratios of participatory interests, to maximise capital growth and investment potential in a changing economic environment or market conditions or to meet the requirements, if applicable, of any exchange formally recognised in terms of legislation and from retaining cash or placing cash on deposit in terms of the deed and supplemental deed; provided that the manager shall ensure that the aggregate value of the assets comprising the portfolio shall consist of participatory interests and assets in liquid form of the aggregate value required by the Act. For the purposes of this portfolio, the manager shall reserve the right to close the portfolio to new investors. This will be done in order to be able to manage the portfolio in accordance with its mandate. The manager shall determine the critical size from time to time.

Portfolio limits and constraints

- The portfolio may invest in multi-asset class portfolios and is not limited to certain asset classes.
- Max 25% in offshore investments plus 5% in Africa.
- The portfolio will aim to achieve a minimum of 20% and a maximum of 30% in equity exposure.
- The portfolio will be managed in accordance with prudential investment guidelines for retirement funds.
- This is a third party portfolio.

Contact and other information

Scheme

Momentum Collective Investments Scheme

Custodian/Trustee

Standard Bank of South Africa Limited

Telephone: +27 (0)21 441 4100

Management company

Momentum Collective Investments (RF) (Pty) Ltd
13th Floor Tower 2, 102 Rivonia Road, Sandton, 2196
Private Bag 9959, Sandton, 2146

Facsimile: +27 (0)12 675 3889

Call centre: 0860 111 899

Email: ci.clientservice@momentum.co.za

Web: www.momentuminv.co.za

Registration no.: 1987/004287/07

Third party manager

Ampersand Asset Management (Pty) Ltd
1 Tuscany Office Park, 6 Coombe Place, Rivonia, 2191, Sandton
P.O. Box 926, Rivonia, 2128

An authorised financial services provider, FSP No: 33676

Telephone: +27 (0)11 803 6597

Facsimile: +27 (0)11 803 6106

Email: queries@ampersandam.co.za

Web: www.ampersandam.co.za

Registration no.: 2007/006571/07

Disclosures

Momentum Collective Investments (RF) (Pty) Ltd (the "Manager"), registration number 1987/004287/07, is authorised in terms of the Collective Investment Schemes Control Act (CISCA) to administer Collective Investment Schemes (CIS) in Securities. The Manager is the manager of the Momentum Collective Investments Scheme, and MMI Holdings Ltd is a full member of the Association for Savings and Investment SA. Standard Bank of South Africa Limited (+27 (0)21 441 4100 PO Box 54, Cape Town, 8000) is the trustee of the scheme. Ampersand Momentum CPI Plus 2 Fund of Funds is a portfolio of the Momentum Collective Investments Scheme and Ampersand Asset Management (Pty) Ltd, registration number: 2007/006571/07, an approved financial services provider (FSP) under the Financial Advisory and Intermediary Services Act (No. 37 of 2002), FSP number: 33676, is responsible for managing the assets of this portfolio. CIS are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of units apply to portfolios, which are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the Manager. The Manager reserves the right to close and reopen certain portfolios to new investors from time to time in order to manage them more efficiently in accordance with their mandate. Portfolios are valued daily at approx. 15h00, latest prices can be viewed at www.momentuminv.co.za and in some national newspapers. Forward pricing is used. Instructions must reach the Manager before 14h00 to ensure same-day value. The Manager does not provide any guarantee, either with respect to the capital or the return of this portfolio. Additional information on the proposed investment including, but not limited to, brochures, application forms and the annual report and any half yearly report can be obtained, free of charge, at www.momentuminv.co.za or may be requested from the Manager.

Ampersand Momentum CPI Plus 2 Fund of Funds is a Fund of Funds CIS portfolio. A Fund of Funds, apart from assets in liquid form, consists solely of participatory interests in portfolios of CIS, which may levy their own charges, which could result in a higher fee structure for Fund of Funds than some other forms of CIS portfolios.

Ampersand Momentum CPI Plus 2 Fund of Funds is a third party named CIS portfolio, the assets of which are administered by Ampersand Asset Management (Pty) Ltd, registration number: 2007/006571/07, a registered financial services provider, FSP number: 33676. The Manager retains full legal responsibility for all third party named CIS portfolios under the Momentum Collective Investments Scheme.

The Total Expense Ratio (TER) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TER's. The disclosed TER is shown as an annual percentage based on data for the period from 01 April 2013 to 31 March 2016. The Transaction Costs (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. TC are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 April 2013 to 31 March 2016. The Total Investment Charges (TIC), the TER + the TC, is the percentage of the net asset value of the class of the Financial Product incurred as costs relating to the investment of the Financial Product. It should be noted that a TIC is the sum of two calculated ratios (TER+TC). The TER and TC have been calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

Performance is calculated for a portfolio/portfolio class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. Annualised returns, also known as Compound Annualised Growth Rates (CAGR), are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Manager on request. Performance figures quoted are from Morningstar, as at 31/08/2016, for a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. All figures calculated in ZAR. CPI/Inflation figures, where present, are lagged by one month. Cash figures, where present, are STeFI Composite Index returns.

This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of the Manager's products.