

Ampersand Momentum CPI Plus 2 FoF

Monthly Feedback – 31 January 2014

Portfolio Objective

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.

Investable Universe of Portfolio

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 to the satisfaction of the manager and trustee 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.

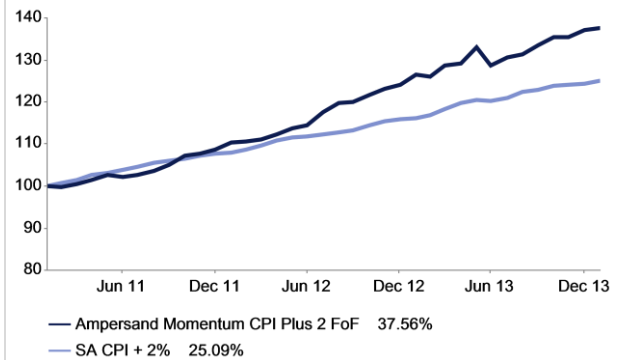
Portfolio Manager

Tom Barlow

Portfolio Comments

Global markets were positive in rand terms this month as global bonds gained 8.4% and global equities gained 2.4%, supporting our offshore holdings. The rand weakened further against the US dollar, losing 6.2% over the January period, ending the month above R11.1/US\$. The rand continued to depreciate against most major currencies. US economic data was mixed this month; Q4 GDP declined from 4.1% to 3.2%, CPI rose from 1.2% to 1.5%, unemployment unexpectedly fell to 6.7% from 7.0%, and the US trade deficit surprised at -US\$ 34.3 billion, which is the lowest level recorded since 2009. Minutes released from the Fed's December meeting indicated increased confidence in the outlook for the US economy. Coupled with positive economic data, this led the Fed to taper its bond buying program by a further US\$10 billion per month. Developed market central bank rates remained stable this month, while all of the fragile 5 emerging market countries (Indonesia, India, Brazil, Turkey and South Africa) chose to hike interest rates. Turkey shocked markets as they raised their repo rate from 4.5% to 10% and South Africa followed suit as the SARB unexpectedly hiked the repo rate by 50bps to 5.5%. The local All Share index declined 2.4% with most sectors contributing to the downturn with the exception of Resources (5.9%), Basic Materials (5.4%) and Oil & Gas (3.7%) offering positive returns for the month. Mobile telecoms (-9.2%) and Health Care (-9.3%) were the biggest detractors. Local bonds declined 3.2% over the period. We continue to favour equity over fixed interest and marginally increased our local equity position based on valuation. We believe that risk appetite remains strong for now but we proceed with caution. We maintain a disciplined investment approach and remain well diversified to protect the portfolio through volatility.

Investment Performance as at 31 January 2014

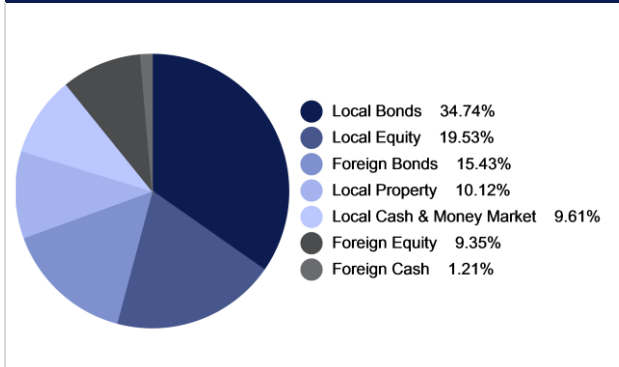


Portfolio Data

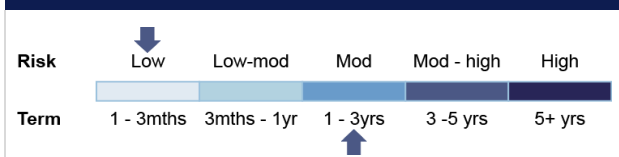
ASISA Classification	SA - Multi Asset - Low Equity
Portfolio Benchmark	CPI + 2% (after fees)
Type of Portfolio	Retail
Portfolio Size	R 1.14 billion
Launch Date	12 May 2008
Minimum Investment	Lump Sum R 10,000 Monthly R 1,000
Initial Management Fee – Class A	0.00% (incl. VAT)
Annual Management Fee – Class A	0.798% p.a. (incl. VAT)
Total Expense Ratio* – Class A	1.57%

* 01 October 2012 to 30 September 2013

Asset Allocation as at 31 January 2014



Risk Classification



Distribution to Investors (CPU)				
	Dividend	Interest	Total	Yield %
Jun`12	0.173	0.819	0.992	0.868
Dec`12	0.145	1.117	1.262	1.082
Jun`13	0.219	1.582	1.801	1.438
Dec`13	0.097	1.528	1.625	1.268

Distribution takes place **Semi-annually** : June, December

DISCLAIMER

Collective Investment Schemes (CIS) in securities 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. All CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the Momentum Collective Investments Limited. Commission may be paid and if so, would be included in the overall costs. A Fund of Funds portfolio is a portfolio that invests in portfolios of collective investment schemes, which levy their own charges, which could result in a higher fee structure for these portfolios. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Momentum Collective Investments Limited reserves the right to close and reopen certain portfolios from time to time in order to manage them more efficiently. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of participatory interests apply to certain portfolios, which are subject to different fees and charges. Momentum Collective Investments Limited's portfolios are valued daily at 08h30. Instructions must reach Momentum Collective Investments Limited before 14h00 to ensure same day value.

Performance figures quoted are from Morningstar, as at the date of this factsheet, for a lump sum investment, using NAV-NAV prices with income distributions reinvested. CPI/Inflation figures are lagged by one month.

For the period from 01 October 2012 to 30 September 2013 the Total Expense Ratio (TER) is the percentage of the average Net Asset Value (NAV) of the portfolio incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.

Momentum Collective Investments Limited is the Manager of the Momentum Collective Investments Scheme, and a full member of the Association for Savings and Investment SA. The Standard Bank of South Africa Limited (PO Box 54, Cape Town, 8000) is the Trustee of Momentum Collective Investments Scheme. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, Momentum Collective Investments Limited does not accept any responsibility for any claim, damages, loss or expense, howsoever arising, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of Momentum Collective Investments Limited's product.

FAIS Conflict of Interest Disclosure: Please note that in most cases where the Financial Services Provider (FSP) is a related party to Ampersand Asset Management and/or Momentum, Ampersand Asset Management and/or the distributor earns additional fees apart from the FSP's client advisory fees. It is the FSP's responsibility to disclose additional fees to you as the client.