

**Ampersand Momentum CPI Plus 6 FoF**

**MONTHLY FEEDBACK - 28 February 2013**

**Portfolio Objective**

The portfolio aims to generate positive returns over the short term while beating inflation by six 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 the Republic of 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 the Republic. The portfolio will predominantly 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 60% and a maximum of 75% in equity exposure.

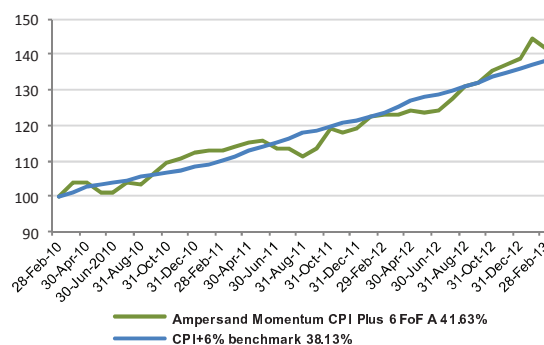
**Portfolio Manager**

Tom Barlow

**Portfolio Comments**

Global equity markets had one of the most volatile months since August 2011, experiencing material declines as minutes from the January US Federal Open Market Committee (FOMC) meeting suggested a possible scaling back of the Fed's quantitative easing programme, causing fear around the effect on the already sluggish US economic recovery. This was further exacerbated by political uncertainty in Italy following the Italian parliamentary elections. Later in the month Fed Chairman Ben Bernanke reiterated the Central Banks' commitment to its quantitative easing programme, allaying fears and causing equity markets in general to change direction to end the month flat. In US\$ terms, Developed Markets ended up 0.17% while Emerging Markets remained in loss territory ending the month down 1.26%. Global bonds followed the trend, losing 1.22%. Volatility, as measured by the VIX Index, spiked a massive 19.3% on the day the minutes were released, and a further 34% following the Italian government elections, but ended the month at a more reasonable level. Global unemployment continues to tick up while inflation has declined in most major economies, leaving scope for prolonged relaxed monetary policy. Final GDP figures for the 4<sup>th</sup> quarter have so far improved. The local All Share index ended the month down 1.89% led by global market turmoil as well as disappointing earnings from local resource stocks. The final nail in the coffin was an unexpected trade deficit of R24.5 billion. Resources lost 6.51% while Financials lost 0.39%. Industrials bucked the trend, gaining 5.23%. Local bonds gained 0.66%. The rand weakened 0.76% to the US dollar, ending the month above R9/US\$. We remain cautiously optimistic, and maintain our overweight offshore equity position, while being marginally underweight local equity, underweight bonds and overweight income-enhancing strategies.

**Investment Performance as at 28 February 2013**

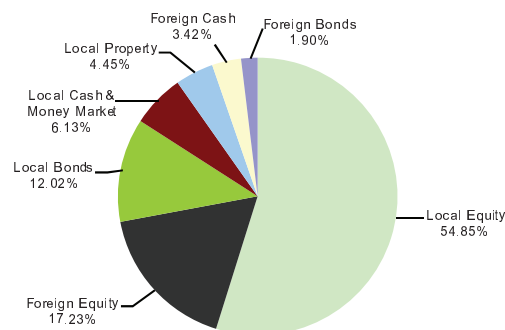


**Portfolio Data**

<b>ASISA Classification</b>	SA - Multi Asset - High Equity
<b>Portfolio Benchmark</b>	CPI +6% (after fees)
<b>Type of Portfolio</b>	Retail
<b>Portfolio Size</b>	R 407.21 million
<b>Launch Date</b>	12/05/2008
<b>Inception Date</b>	18/04/2008
<b>Minimum Investment</b>	Lump Sum R 10 000 Monthly R 1 000
<b>Initial Management Fee - Class A</b>	0.00% (incl. VAT)
<b>Annual Management Fee - Class A</b>	0.798% (incl. VAT)
<b>Total Expense Ratio* - Class A</b>	1.77%
<b>Valuation time</b>	08h00 (T+1)
<b>Transaction time</b>	13h00
<b>Income declaration date</b>	30 Jun / 31 Dec
<b>2012 Distribution</b>	1.54 cpu

\*01 January 2012 to 31 December 2012

**Asset Allocation as at 28 February 2013**



**Risk Classification**

<b>Risk</b>	Low	Low-Mod	Mod	Mod-High	High
<b>Term</b>	1-3mths	3mths-1yr	1-3 yrs	3-5yrs	5+yr s

<b>Distribution to Investors (CPU) **</b>	
	<b>31/12/2012</b>
<b>Dividend</b>	0.242
<b>Interest</b>	0.219
<b>Distribution</b>	<b>0.461</b>

*Distributions take place in June and December*

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