ampers&nd ASSET MANAGEMENT

momentum investments

Ampersand Momentum CPI Plus 6 FoF

Monthly Feedback – 31 January 2014

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 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 60% and a maximum of 75% in equity exposure.

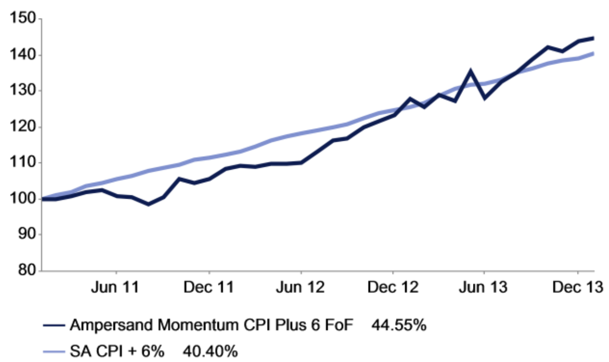
Portfolio Manager

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

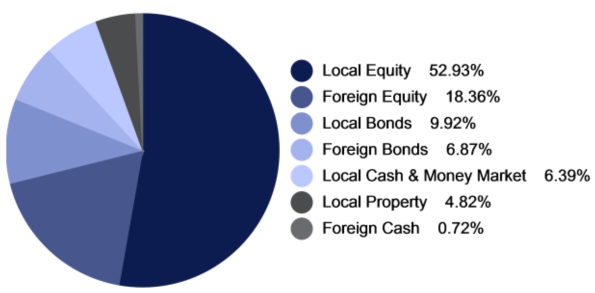


Portfolio Data

ASISA Classification	SA - Multi Asset - High Equity
Portfolio Benchmark	CPI + 6% (after fees)
Type of Portfolio	Retail
Portfolio Size	R 417.40 million
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	1.72%

* 01 October 2012 to 30 September 2013

Asset Allocation as at 31 January 2014



Risk Classification

Risk	Low	Low-mod	Mod	Mod - high	High
Term	1 - 3mths	3mths - 1yr	1 - 3yrs	3 -5 yrs	5+ yrs

Distribution to Investors (CPU)

	Dividend	Interest	Total	Yield %
Jun`12	0.447	0.283	0.731	0.663
Dec`12	0.241	0.219	0.461	0.417
Jun`13	0.579	0.601	1.180	0.957
Dec`13	0.206	0.654	0.860	0.678

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