

**Ampersand Momentum CPI Plus 6 Fund of Funds**

Momentum Collective Investment Scheme (CIS) portfolio

Class A | Minimum Disclosure Document (MDD) as at 31 October 2015

Assets managed by: Ampersand Asset Management

**Portfolio Objective**

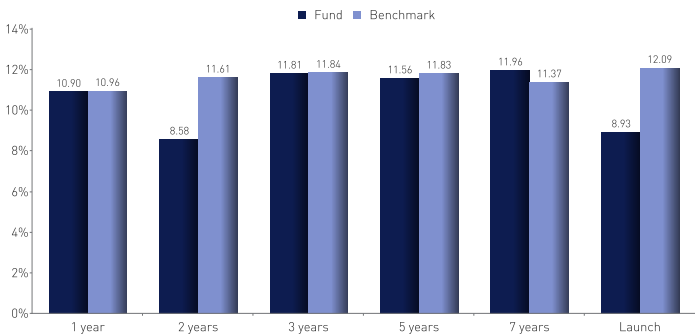
The portfolio aims to beat inflation by six percent over a three-year rolling period. The portfolio will be managed to achieve growth and will comply with the Prudential Investment Guidelines at all times.

**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.

**Performance**

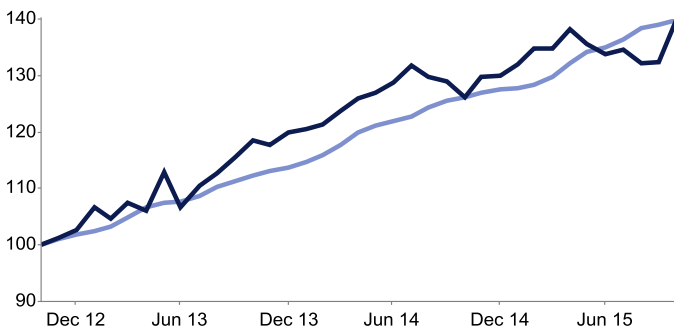
**Annualised returns (%)**



**Yearly returns (%)**

	Oct 09	Oct 10	Oct 11	Oct 12	Oct 13	Oct 14	Oct 15
Fund	17.03	9.00	8.74	13.70	18.58	6.30	10.90
BM	11.15	9.31	11.83	11.77	12.31	12.26	10.96

**Cumulative (%)**



— Ampersand Momentum CPI Plus 6 Fund of Funds 39.79%  
— SA CPI + 6% 39.90%

**Portfolio information**

Portfolio inception	12 May 2008
Portfolio size	R 411.75 million
Launch date	12 May 2008
Launch price	100.00 (cpu)
Latest price (30/10/2015)	162.94 (cpu)
Benchmark	CPI + 6% (after fees)
ASISA sector	SA - Multi Asset - High Equity

**Codes**

JSE	VPCFU
ISIN	ZAE000118949
Bloomberg	AMPMC6A

**Minimum investment**

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

Tom Barlow, CFA

**Portfolio charges**

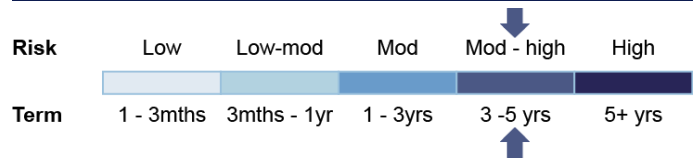
Initial management fee	0.00% (incl. VAT)
Initial advisory fee	0% - 3.42% (incl. VAT)
Annual management fee	0.798% p.a. (incl. VAT)
Annual advisory fee	0% - 1.14% (incl. VAT)
Total expense ratio (TER) (incl.VAT):	1.95%

**Income distribution (cpu)**

	Dividend	Interest	Total
Dec'13	0.206	0.654	0.860
Jun'14	0.359	0.603	0.962
Dec'14	0.407	0.222	0.629
Jun'15	0.292	0.243	0.535
Nov'14 - Oct'15	0.699	0.466	1.164

Distribution takes place Semi-annually : June, December

**Risk/profile reward**



**3 year statistics**

Standard deviation <sup>1)</sup>	7.99
Sharpe ratio <sup>2)</sup>	0.74
Information ratio <sup>3)</sup>	0.12
Largest negative monthly return	-5.41%
Number of positive months	26 / 36

<sup>1)</sup>Standard deviation – measures the volatility of fund returns

<sup>2)</sup>Sharpe ratio – fund return minus cash return (STeFI composite), divided by the Standard deviation (of fund returns)

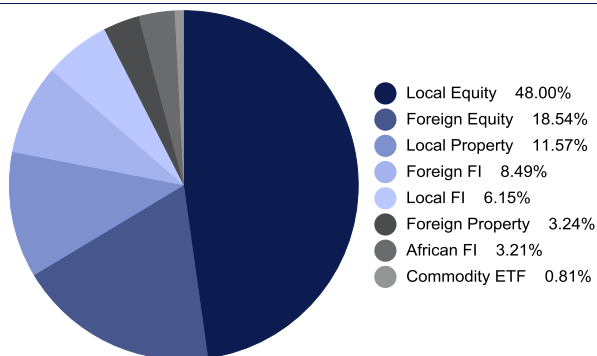
<sup>3)</sup>Information ratio – return per unit of risk against the benchmark

## Portfolio Comments

Overall global equity markets saw positive gains this month, in both US dollar and rand terms. The MSCI AC World Index gained 7.69%, however global bonds lost -0.30%, in rand terms. The rand strengthened by 0.71% against the US dollar, ending the month at R13.80/US\$. US economic data has been disappointing this month. US unemployment remained unchanged at 5.10% whereas economic growth slowed noticeably from 3.90% to 1.50% q/q. US CPI declined to 0% y/y from the previous month's 0.20% y/y. The US Federal Reserve left interest rates unchanged at 0.25% but a rate hike is still expected in December, keeping in mind that it is data dependent. According to the Q3 Labour Force Survey ("LFS"), the number of employed people in South Africa rose by an encouraging 171 000. The LFS indicates that 88% of jobs created over the past year were in the agriculture and informal sectors. However, the latest labour market data remains discouraging as the official unemployment rate in South Africa rose to 25.50% in Q3 2015, up from 25% in Q2. SA CPI again surprised on the downside in September, remaining unchanged at 4.60%. Inflation has consistently surprised on the downside throughout the year due to sluggish domestic demand, coupled with falling global oil and other commodity prices. The JSE All Share index ended the month up 7.61%, while the All Bond index rose 1.30%. Most sectors contributed to this positive performance. Financials (6.93%) led gains, with Industrials and Resources gaining 6.81% and 5.93% respectively. SA Listed Property gained 2.08%. Areas of concern around global economic conditions and asset class valuations remain. As a result, we continue to prefer a diversified approach in the portfolios and feel that asset allocation remains key. We are comfortable with the positioning of the portfolios at this time and continuously monitor the landscape for further opportunities to reduce risk or generate return.

## Holdings

### Asset allocation



### Portfolio holdings (%)

Ampersand Momentum Equity B	51.72
VFPF International Growth IC A	30.27
Ampersand Momentum Flex Property Inc	11.90
Saffron African Yield Opportunity B	3.21
Saffron MET Inflation Linked Bond B	2.43
Saffron MET Inflation Linked Bond ABIL RF	0.13
Local Cash/Money Market	0.34

## 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 6 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 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 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](http://www.momentuminv.co.za). 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 can be obtained, free of charge, at [www.momentuminv.co.za](http://www.momentuminv.co.za) or may be requested from the Manager.

Ampersand Momentum CPI Plus 6 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 6 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) has been calculated using data from 01 July 2014 until 30 June 2015. The TER is disclosed as a percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio and underlying portfolios. The TER does not include transaction costs. The TER is calculated quarterly but may additionally be re-calculated with effect from any significant portfolio restructurings and/or fee changes occurring. A higher TER ratio 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 TER's.

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 31/10/2015, for a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. CPI/Inflation figures, where present, are lagged by one month.

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.

## 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**

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Registration no.: 1987/004287/07

### Third party manager

**Ampersand Asset Management (Pty) Ltd**

An authorised financial services provider, FSP No: 33676

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Registration no.: 2007/006571/07

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