

Ampersand Momentum CPI Plus 6 Fund of Funds

Momentum Collective Investment Scheme (CIS) portfolio

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

Assets managed by: Ampersand Asset Management

Portfolio Objective

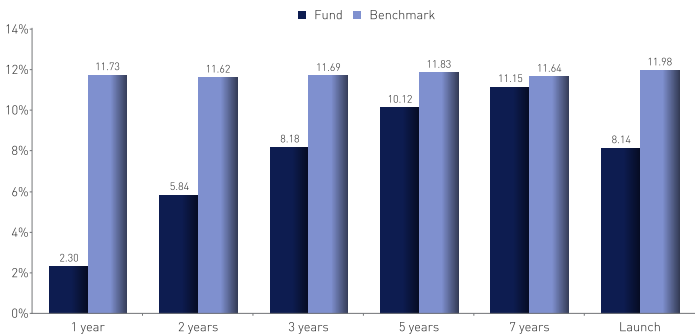
The portfolio aims to beat inflation by six percent over a three-year rolling period. The portfolio will be managed to achieve growth and will comply with the Prudential Investment Guidelines at all times.

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

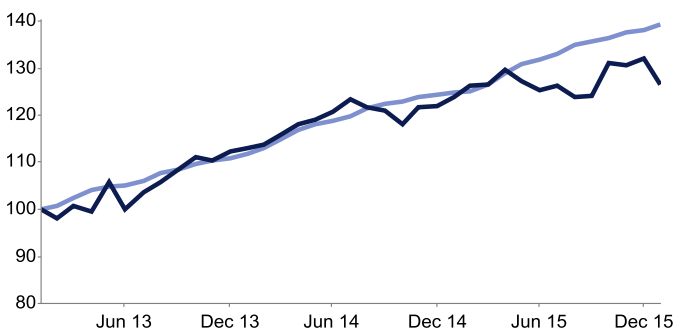
Annualised returns (%)



Yearly returns (%)

	Jan 10	Jan 11	Jan 12	Jan 13	Jan 14	Jan 15	Jan 16
Fund	14.26	13.29	8.45	17.94	13.01	9.50	2.30
BM	12.64	9.67	12.27	11.83	11.83	11.52	11.73

Cumulative (%)



— Ampersand Momentum CPI Plus 6 Fund of Funds 26.60%
— SA CPI + 6% 39.33%

Portfolio information

Portfolio inception	12 May 2008
Portfolio size	R 389.21 million
Launch date	12 May 2008
Launch price	100.00 (cpu)
Latest price (29/01/2016)	156.64 (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

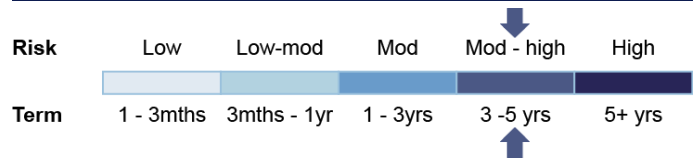
Initial management fee	0.00% (incl. VAT)
Initial advisory fee	0% - 3.42% (incl. VAT)
Annual management fee	0.798% p.a. (incl. VAT)
Annual advisory fee	0% - 1.14% (incl. VAT)
Total expense ratio (TER) (incl.VAT):	1.94%

Income distribution (cpu)

	Dividend	Interest	Total
Dec'14	0.407	0.222	0.629
Jun'15	0.292	0.243	0.535
Nov'15	0.492	0.266	0.761
Dec'15	0.000	0.000	0.000
Feb'15 - Jan'16	0.783	0.510	1.297

Distribution takes place Semi-annually : June, December

Risk/profile reward



3 year statistics

Standard deviation ¹⁾	8.32
Sharpe ratio ²⁾	0.30
Information ratio ³⁾	-0.26
Largest negative monthly return	-5.41%
Number of positive months	24 / 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)

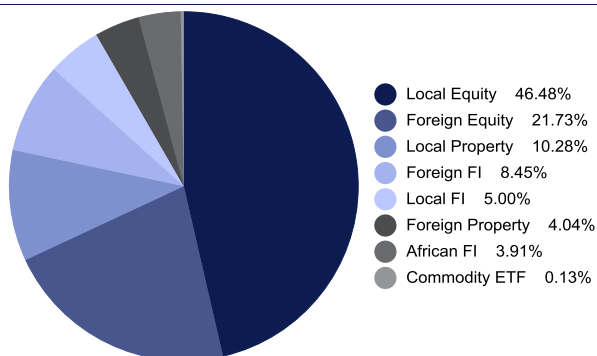
³⁾Information ratio – return per unit of risk against the benchmark

Portfolio Comments

The past few months were exceptionally difficult for South Africa. The initial trigger was when President Jacob Zuma changed finance ministers twice in only four days which led to anxious investors and caused a public uproar. Over December and January, foreigners sold R5.9 billion worth of local government bonds and R15.6 billion worth of local equities. The rand collapsed, touching a record low of R17.99/US\$. The MSCI AC World Index lost -3.58% whereas global bonds gained 4.15% in rand terms. The US Federal Reserve's ("Fed") Open Market Committee met during January and kept the interest rate unchanged after raising rates in December 2015. The Fed will continue to monitor global economic data but it is expected that they will gradually raise interest rates in 2016. Domestic outlook has deteriorated significantly. The South African Reserve Bank ("SARB") revised its GDP forecasts for 2016 and 2017 down to 0.90% and 1.60% respectively from 1.50% and 2.10% previously. Devastating drought in major farming regions led to uncertainty in the food price and in return the headline consumer inflation rose to 5.20% from 4.80%. The SARB is now forecasting that consumer inflation will average 6.80% in 2016. The Monetary Policy Committee ("MPC") hiked interest rates by a further 50 basis points, taking the repo rate to 6.75%. The decision was driven by the rand's sharp decline in recent months and signs of rising food prices. The rand is most likely going to remain under pressure, giving the risk of further downgrades to South Africa's risk rating. We anticipate an interest rate hike at every MPC meeting in the first half of the year. The JSE All Share index ended the month down -3.00%, driven largely by Resources and Financials that lost -2.73% and -3.34% respectively. Industrials ended the month up 1.79%. Local Bonds gained 4.63% on the back of the SARB that increased interest rates whereas SA listed Property lost a further -2.98%. We remain cautiously optimistic about the portfolios, yet our concerns around market valuations and external risks remain. We need to urge investors to remain patient and committed to their chosen investment strategy as negative surprises are possible. 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	47.78
VFPF International Growth IC A	34.22
Ampersand Momentum Flex Property Inc	11.27
Saffron African Yield Opportunity B	3.91
Saffron MET Inflation Linked Bond B	2.57
Saffron MET Inflation Linked Bond ABIL RF	0.14
Local Cash/Money Market	0.10

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) 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 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. 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 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 October 2014 until 30 September 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 31/01/2016, 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

Contact and other information

Scheme

Momentum Collective Investments Scheme

Custodian/Trustee

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Management company

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Web: www.momentuminv.co.za
Registration no.: 1987/004287/07

Third party manager

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ASSET MANAGEMENT