

Ampersand Momentum CPI Plus 6 Fund of Funds

Momentum Collective Investment Scheme (CIS) portfolio

Class A | Monthly Fund Fact Sheet (FFS) as at 30 June 2016

Assets managed by: Ampersand Asset Management

Portfolio Objective

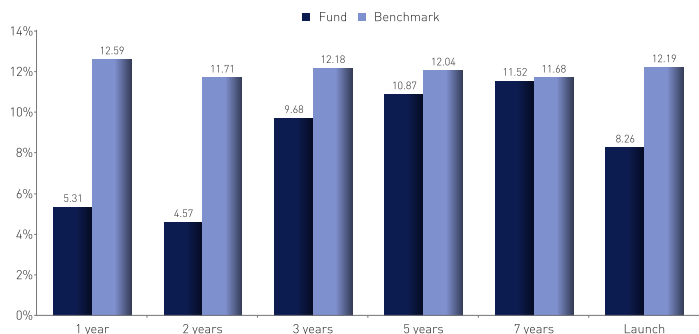
The portfolio aims to beat inflation by six percent over a three-year rolling period. The portfolio will be managed to achieve growth and will comply with the Prudential Investment Guidelines at all times.

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.

Portfolio Performance

Annualised returns (%)

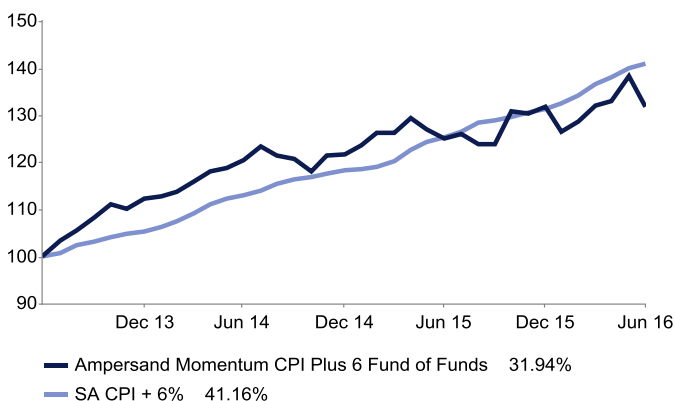


Yearly returns (%)

	Jun 09	Jun 10	Jun 11	Jun 12	Jun 13	Jun 14	Jun 15	Jun 16
Fund	-6.54	13.77	12.57	9.15	16.31	20.66	3.84	5.31
BM	13.53	11.02	10.55	11.99	11.65	13.12	10.84	12.59

This table provides the individual 1 year returns, for both fund and benchmark that underlie the longer term annualised return periods provided in the bar chart above.

Cumulative returns over 3 years (%)



Portfolio information

Portfolio inception	12 May 2008
Portfolio size	R 395.72 million
Launch date	12 May 2008
Launch price	100.00 (cpu)
Latest price (30/06/2016)	163.32 (cpu)
Benchmark	CPI + 6% (after fees)
ASISA sector	SA - Multi Asset - High Equity
Regulation 28 compliant	Yes

Codes

JSE	VPCFU
ISIN	ZAE000118949

Minimum investment

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

Tom Barlow, BCom (Economics), 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)

Cost ratios

Total Expense Ratio (TER):	1.79% (incl. VAT)
Transaction Costs (TC):	0.02% (incl. VAT)
Total Investment Charges (TER+TC):	1.81% (incl. VAT)

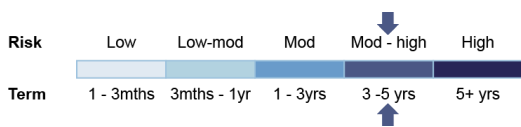
Please see Disclosures section for further information on cost ratios

Income distribution (cpu)

	Dividend	Interest	Total
Jun'15	0.292	0.243	0.535
Nov'15	0.492	0.266	0.761
Dec'15	0.000	0.000	0.000
Jun'16	1.190	0.570	1.760
Jul'15 - Jun'16	1.682	0.836	2.521

Distribution takes place Semi-annually : June, December

Risk/reward profile and 3 year statistics



Specific risks

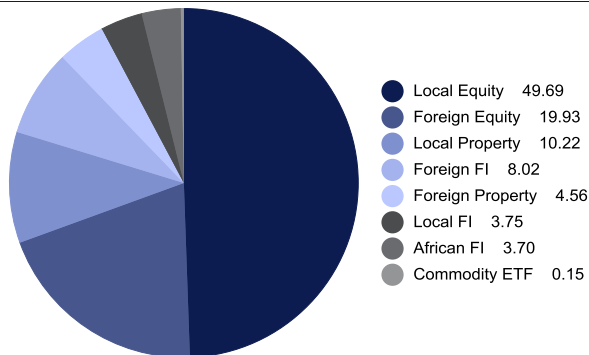
The fund is permitted to invest in foreign securities which, within portfolios, may have additional material risks, depending on the specific risks affecting that country, such as: potential constraints on liquidity and the repatriation of funds; macroeconomic risks; political risks; foreign exchange risks; tax risks; settlement risks; and potential limitations on the availability of market information. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

Standard deviation ¹⁾	7.49
Sharpe ratio ²⁾	0.47
Largest negative monthly return	-5.41
Number of positive months	26 / 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)

Holdings

Asset allocation (look through)



Portfolio holdings (%)

Ampersand Momentum Equity B	51.13
VFPF International Growth IC A	32.51
Ampersand Momentum Flex Property Inc	11.25
Saffron African Yield Opportunity B	3.70
Saffron MET Inflation Linked Bond B	0.71
Saffron MET Inflation Linked Bond ABIL RF	0.14
Local Cash/Money Market	0.57

Monthly Comment

The major driving force behind market movement and volatility this month has been the Brexit debate followed by the referendum vote that took place on 23 June. The MSCI AC World Index lost -7.5% and global bonds lost -3.5% respectively in rand terms.

Right up until the last votes, it was largely believed that the vote would be for Britain to remain in the European Union (EU). However, on the 23rd of June 2016, in a surprise outcome that shocked markets, Britain voted to exit the EU causing currency volatility, financial market turbulence and a myriad of uncertainty. In addition, the vote raises political and economic challenges in the UK, the EU and around the world. David Cameron has announced he will resign as UK prime minister by October. The initial reaction saw declines in global shares and other risk assets. Central banks across the globe are likely to pause the hiking of interest rates, including the US Federal Reserve. The Bank of England may cut interest rates to zero and resume Quantitative Easing (QE) to prevent excessive turbulence.

The JSE All Share Total Return Index declined -3.0% this month. Resources and financials both contributed to losses, falling -2.5% and -2.1% respectively. Industrials and SA Listed Property saw gains amidst the downturn of 3.0% and 1.2% respectively. Local bonds were also positive, gaining 4.0%, as investors sought safety. After strengthening to R14.31 to the US dollar, the rand initially weakened back to R15.15/US\$ on the Brexit news but then strengthened again to end the month 6.9% stronger to the US dollar, at R14.70/US\$.

Local GDP disappointed significantly with growth declining -1.2% (q/q) in the first quarter from positive 0.4% growth the previous quarter. Inflation was lower than expected at 6.1% against expectations for an increase to 6.4%.

With risk assets under pressure, we do expect to see some volatility and impact into our portfolios. However, the portfolios remain well diversified, with limited exposure to direct UK assets. Any potential rand weakness would benefit our offshore holdings. We urge investors to remain calm and although this is a significant event the portfolios are robust and designed to withstand shocks and reduce volatility.

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 to new investors 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) is the percentage of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TER's. The disclosed TER is shown as an annual percentage based on data for the period from 01 April 2013 to 31 March 2016. The Transaction Costs (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. TC are a necessary cost in administering the Financial Product and impacts Financial Product returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 April 2013 to 31 March 2016. The Total Investment Charges (TIC), the TER + the TC, is the percentage of the net asset value of the class of the Financial Product incurred as costs relating to the investment of the Financial Product. It should be noted that a TIC is the sum of two calculated ratios (TER+TC). The TER and TC have been calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

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 30/06/2016, for a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. All figures calculated in ZAR. CPI/Inflation figures, where present, are lagged by one month. Cash figures, where present, are STeFI Composite Index returns.

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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Call centre: 0860 111 899
Email: ci.clientservice@momentum.co.za
Web: www.momentuminv.co.za
Registration no.: 1987/004287/07

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