

**Ampersand Momentum Equity Fund**

Monthly Feedback – 31 May 2014

**Portfolio Objective**

The Ampersand Momentum Equity Fund is an equity portfolio that seeks to sustain high long-term capital growth.

**Investable Universe of Portfolio**

The portfolio's investment universe consists of financially sound equity securities, preference shares, convertible bonds, property shares and property related securities listed on exchanges and assets in liquid form. The portfolio's equity exposure will always exceed 80% of its net asset value. The manager may also invest in participatory interests or any other form of participation in portfolios of collective investment schemes or other similar collective schemes which are consistent with the portfolio's investment policy. Where schemes are operated in territories other than South Africa, participatory interests will be included in the portfolio only where the regulatory environment is of sufficient standard to provide investor protection at least equal to that in South Africa. The portfolio may invest in financial instruments and may also include unlisted forward currency, interest rate and exchange rate swap transactions for efficient portfolio management purposes.

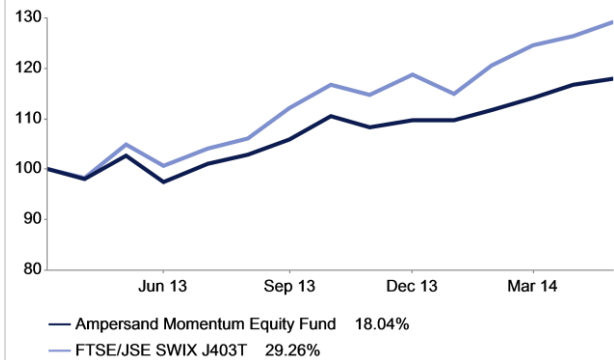
**Portfolio Manager**

Tom Barlow

**Portfolio Comments**

This month global markets saw positive returns with the MSCI World Index gaining 2.6%, while global bonds gained 1.0%, in rand terms. The rand weakened by 0.5% against the US dollar, ending the month at R10.57/US\$. US economic data was mixed this month. Unemployment decreased from 6.7% to 6.3%. Inflation rose from 1.5% to 2.0%, the largest gain seen since July 2013. It is likely that the Fed will continue tapering its asset purchase programme, with interest rate hikes expected to begin only after QE comes to an end. Japan's inflation saw a jump to 3.45% from 1.6% in April, as Japan's national sales tax boosted prices across the board. This was the fastest gain since 1991. UK inflation saw a modest increase from 1.6% to 1.8%, slightly above expectations yet still below the BOE's target 2% level. SA GDP fell from 3.8% to -0.6% in Q1 2014, indicating a contraction in the economy for the first time since 2009. The platinum strike was the main contributor to the fall, with negotiations remaining unresolved after 4 months. The SA trade deficit widened to R13 billion, as exports declined and local demand remains subdued. The JSE All Share index gained 1.6% while the All Bond index gained 1.14%. Most sectors contributed to this positive performance. Consumer Services (+9.6%) led gains, with Industrials (+1.6%) and Financials (+1.2%) performing positively while Resources (-4.3%) disappointed. Our portfolio saw positive gains this month. The biggest contributors were Naspers (+17.6%), MTN Group (+5.8%), British American Tobacco (+6.1%) and Woolworths (+4.8%). The largest detractors from performance were Anglo American (-7.3%), Goldfields (-15.8%) and BHP Billiton (-2.9%). The global economic environment is somewhat scattered right now and we proceed with caution. We strive to provide protection through diversification across manager selection and investment strategies..

**Investment Performance as at 31 May 2014**

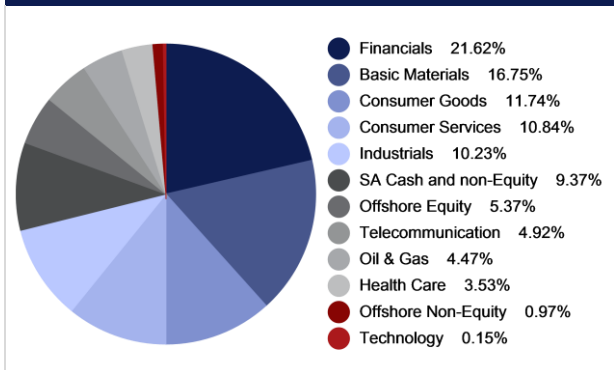


**Portfolio Data**

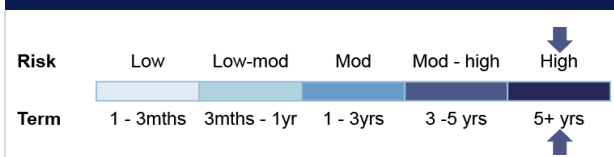
<b>ASISA Classification</b>	SA - Equity - General
<b>Portfolio Benchmark</b>	FTSE/JSE SWIX J403T
<b>Type of Portfolio</b>	Institutional
<b>Portfolio Size</b>	R 487.77 million
<b>Launch Date</b>	2 April 2013
<b>Minimum Investment</b>	Lump Sum R 10,000 Monthly R 1,000
<b>Initial Management Fee (Class B)</b>	0.00% (incl. VAT)
<b>Annual Management Fee (Class B)</b>	0.86% p.a. (incl. VAT)
<b>Total Expense Ratio* (Class B)</b>	1.17%

\* 01 April 2013 to 31 March 2014

**Asset Allocation as at 31 May 2014**



**Risk Classification**



<b>Distribution to Investors (CPU)</b>				
	<b>Dividend</b>	<b>Interest</b>	<b>Total</b>	<b>Yield %</b>
Jun`13	0.131	0.095	0.225	-
Dec`13	0.578	0.054	0.632	0.649

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

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Performance figures quoted are from Morningstar, as at the date of this factsheet, for a lump sum investment, using NAV-NAV prices with income distributions reinvested. CPI/Inflation figures are lagged by one month.

For the period from 01 April 2013 to 31 March 2014 the Total Expense Ratio (TER) is the percentage of the average Net Asset Value (NAV) of the portfolio incurred as charges, levies and fees related to the management of the portfolio. A higher TER 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 TERs.

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