

**Ampersand Momentum Flexible Property Income Fund**

Monthly Feedback – 31 January 2014

**Portfolio Objective**

The Ampersand Momentum Flexible Property Income Fund is a specialist portfolio with the objective to provide investors with a combination of high income and long term capital appreciation by investing in income generating and property securities.

**Investable Universe of Portfolio**

The portfolio's investment universe will be property securities, property collective investment schemes, property loan stock, Real Estate equity, fixed interest securities (including, but not limited to, bonds, corporate bonds, inflation linked bonds, convertible bonds, cash deposits and money market instruments), debentures, preference shares, non-equity securities, derivatives and assets in liquid form. The minimum portfolio's exposure to JSE listed property shares, property loan stock and property portfolios will be 33% of the portfolio's market value. The portfolio may from time to time invest in listed and unlisted financial instruments, in accordance with the provisions of the Act, and the Regulations thereto, as amended from time to time, in order to achieve the portfolio's investment objective.

**Portfolio Manager**

Tom Barlow

**Portfolio Comments**

Global assets 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. 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 SA Listed Property Index (SAPY) declined by 7.1% this month as local bond yields were impacted by panic selling of emerging market bonds by foreign investors. Local bonds lost 3.2%, as the SA 10year bond yield weakened from 8.0% to 8.8% and the SA 30year bond yield weakened from 9.1% to 9.4%. Our portfolio outperformed the SA Listed property index this month and benefited from stock specific performance. The biggest contributors were our positions in Capital & Counties Property (+2.7%), New Europe Property (+4.3%), Fortress Income Fund (+19.7%) and INTU Properties (+6.6%). The largest detractors from performance were Redefine Properties (-9.1%), Resilient Property Income (-6.0%) and Redefine International (-11.4%). We maintain a disciplined investment approach and, the portfolio includes a strong rand hedge component. We are confident it will continue to perform admirably in difficult markets.

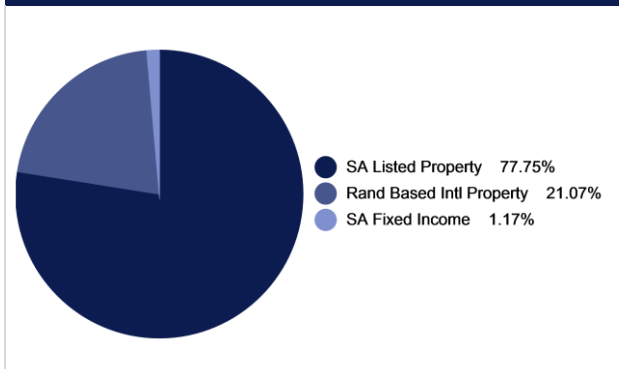
**Investment Performance as at 31 January 2014**

Performance data is not displayed as regulations governing the content of this factsheet preclude the publication of performance data for any fund/class that is less than 6 months old.

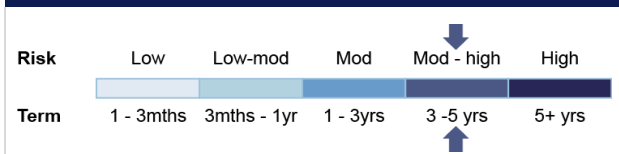
**Portfolio Data**

<b>ASISA Classification</b>	SA - Multi Asset Flexible
<b>Portfolio Benchmark</b>	67% FTSE JSE Listed Property Index J253T, 33% STeFI Composite
<b>Type of Portfolio</b>	Retail
<b>Portfolio Size</b>	R 204.06 million
<b>Launch Date</b>	1 November 2013
<b>Minimum Investment</b>	Lump Sum R 10,000 Monthly R 1,000
<b>Initial Management Fee – Class A</b>	0.00% (incl. VAT)
<b>Annual Management Fee – Class A</b>	1.71% p.a. (incl. VAT)
<b>Total Expense Ratio* – Class A</b>	N/A

**Asset Allocation as at 31 January 2014**



**Risk Classification**



**Distribution to Investors (CPU)**

	<b>Dividend</b>	<b>Interest</b>	<b>Total</b>	<b>Yield %</b>
Dec`13	0.003	0.875	0.877	-

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

**DISCLAIMER**

Collective Investment Schemes (CIS) in securities 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. All CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from the Momentum Collective Investments Limited. Commission may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Momentum Collective Investments Limited reserves the right to close and reopen certain portfolios from time to time in order to manage them more efficiently. The Fund may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of participatory interests apply to certain portfolios, which are subject to different fees and charges. The exposure limit to a single security, in certain Specialist Equity portfolios, can be greater than is permitted for other portfolios in terms of the Collective Investments Schemes Control Act. Momentum Collective Investments Limited's portfolios are valued daily at 15h00. Instructions must reach Momentum Collective Investments Limited before 13h00 to ensure same day value.

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 to 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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