

**Ampersand Momentum Flexible Property Income Fund**

Monthly Feedback – 31 March 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**

The MSCI World Index declined 1.7% this month, while global bonds declined 2.3%, in rand terms. The rand strengthened by 2.1% against the US dollar, ending the month at R10.53/US\$. At the latest US Federal Open Market Committee (FOMC) meeting the Fed continued to taper its bond buying program by a further US\$10 billion. US economic data was mixed. Unemployment rose marginally to 6.7% from 6.6%, inflation decreased to 1.1% from 1.6%, and Q4 GDP declined to 2.6% from 4.1%. Other developed market central banks remained accommodative, keeping interest rates and asset purchase programs unchanged. The recovery in the UK continues to gain momentum, with retail sales and production increasing. Unemployment remained steady at 7.2% while inflation declined to 1.7% from 1.9% due to falling prices of food, transport, beverages and other contributing commodities. Annual inflation in SA rose to 5.9% mainly due to higher petrol, food and hotel prices. The SARB left the Repo rate unchanged at the March meeting but highlighted that the rate is likely to increase over the medium term. The SA Listed Property Index (SAPY) gained 4.8%. Local bonds gained 1.8%, as the SA 10 year bond yield strengthened from 8.5% to 8.3% and the SA 30 year bond yield strengthened from 9.1% to 8.9%. Our portfolio was positive this month and benefited from stock specific performance. The biggest contributors were our positions in Delta Property Fund (+7.0%), Capital Property Fund (+6.0%) and Resilient Property Income (+5.3%). The largest detractors from performance were Capital & Counties Properties (-8.2%), Intu Properties Plc (-14.6%) and Mas Real Estate Inc (-5.4%). We are currently fully invested in the property fund as we believe property offers good medium to long-term income growth.

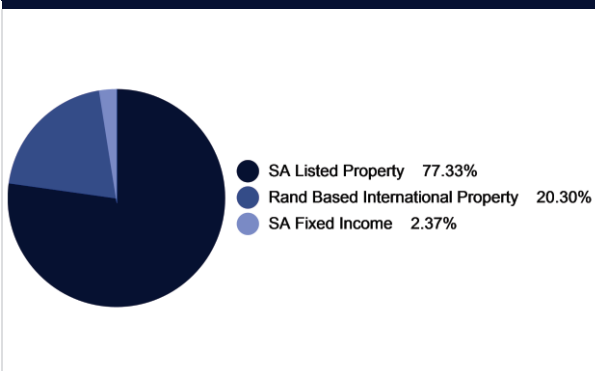
**Investment Performance as at 31 March 2014**

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.

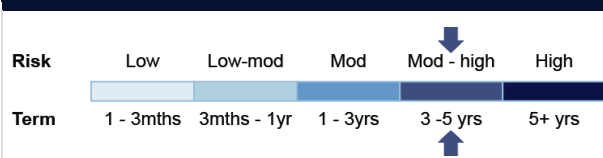
**Portfolio Data**

<b>ASISA Classification</b>	SA - Real Estate - General
<b>Portfolio Benchmark</b>	67% FTSE JSE Listed Property Index J253T, 33% STeFI Composite
<b>Type of Portfolio</b>	Institutional
<b>Portfolio Size</b>	R 216.12 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 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>	N/A

**Asset Allocation as at 31 March 2014**



**Risk Classification**



**Ampersand Momentum Flexible Property  
Income Fund**

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**Distribution to Investors (CPU)**

	Dividend	Interest	Total	Yield %
Dec`13	0.003	1.011	1.014	-
Mar`14	1.243	0.044	1.287	1.288

Distribution takes place **Quarterly** : **March, June, September, 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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