

**Ampersand Momentum Flexible Property Income Fund**

Monthly Feedback – 31 January 2015

**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.

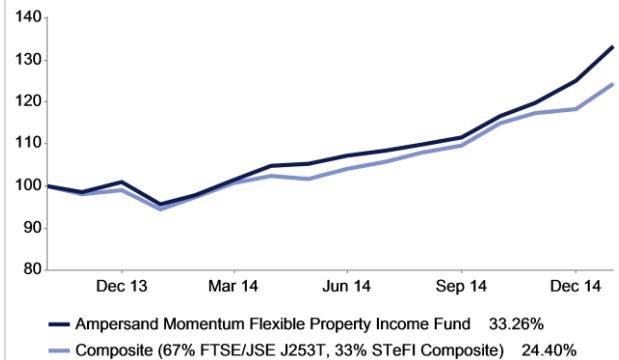
**Portfolio Manager**

Tom Barlow

**Portfolio Comments**

Global equity markets lost further ground in January. The MSCI AC World Index lost 1.0% in rand terms, enhanced by a marginally weaker rand/US dollar exchange rate (+0.5%). Global bonds gained 0.9%. EU CPI fell into deflationary territory in December (-0.2% y/y), largely driven by falling energy prices. This is the lowest level since the global financial market crisis in 2009. The ECB later announced the start of an outright Asset Purchase Programme (QE), including the purchase of government bonds. The IMF have revised their world growth forecast down by 0.3% for both 2015 and 2016 across most developed and emerging economies, except in the US. Oil continued its descent until halfway through the month when prices began slowly rising again (due to concerns of falling production), ending the month just below \$50/barrel. Local CPI declined sharply to 5.3% y/y from 5.8% y/y on the back of lower petrol and food prices. Interest rates were left unchanged by the SARB (at 5.75%), and are set to remain on hold in the coming months unless core inflation (CPI excluding food, fuel and electricity) falls meaningfully (currently 5.7% y/y). The SA Listed Property market performed exceptionally well in January, gaining 7.4%. Our portfolio moderately underperformed the index although we are still pleased with the positive gain of 6.5%. We remain cautiously optimistic but well diversified. We are extremely pleased with the performance of Listed Property and seek to take advantage of this performance in the short term.

**Investment Performance as at 31 January 2015**

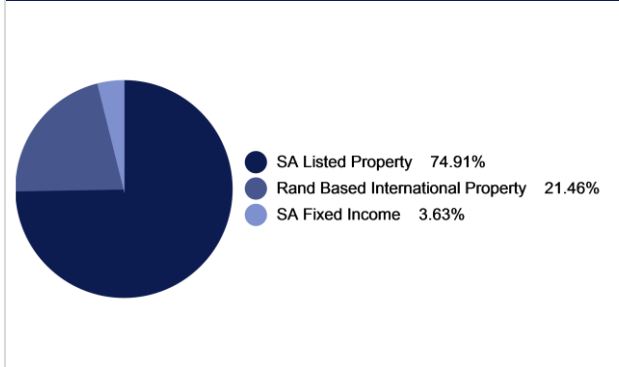


**Portfolio Data**

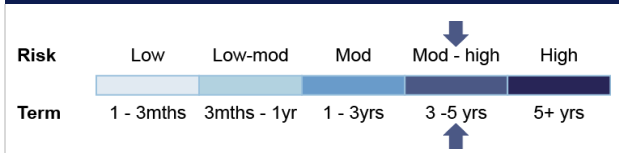
<b>ASISA Classification</b>	SA - Real Estate - General
<b>Portfolio Benchmark</b>	Composite (67% FTSE/JSE J253T, 33% STeFI Composite)
<b>Type of Portfolio</b>	Institutional
<b>Portfolio Size</b>	R 396.16 million
<b>Launch Date</b>	1 November 2013
<b>Minimum Investment</b>	Lump Sum R 10,000 Monthly R 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>	0.88%

\* 01 October 2013 to 30 September 2014

**Asset Allocation as at 31 January 2015**



**Risk Classification**



**Distribution to Investors (CPU)**

	<b>Dividend</b>	<b>Interest</b>	<b>Total</b>	<b>Yield %</b>
Mar`14	1.243	0.044	1.287	1.288
Jun`14	1.053	0.097	1.150	1.160
Sep`14	1.310	0.150	1.460	1.408
Dec`14	1.490	0.230	1.720	1.617

*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 (RF) (Pty) Ltd. 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 (RF) (Pty) Ltd 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 (RF) (Pty) Ltd's portfolios are valued daily at 15h00. Instructions must reach Momentum Collective Investments (RF) (Pty) Ltd before 14h00 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 01 January 2014 to 31 December 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. Momentum Collective Investments (RF) (Pty) Ltd is the Manager of the Momentum Collective Investments Scheme, and a full member of the Association for Savings and Investment SA. The Standard Bank of South Africa Limited (PO Box 54, Cape Town, 8000) is the Trustee of Momentum Collective Investments Scheme. Although reasonable steps have been taken to ensure the validity and accuracy of the information in this document, Momentum Collective Investments (RF) (Pty) Ltd does not accept any responsibility for any claim, damages, loss or expense, howsoever arising, out of or in connection with the information in this document, whether by a client, investor or intermediary. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice or guidance in any form whatsoever. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of Momentum Collective Investments (RF) (Pty) Ltd's product.

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