

# Brenthurst Global Equity Fund - Class A USD

Fund data for the month ending 29 May 2019

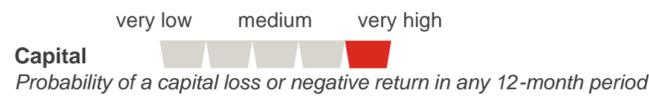
## Fund details\*

Manager: <b>Momentum Wealth International Limited</b>	Investment manager: <b>Momentum Global Investment Management</b>	Distribution partner: <b>Brenthurst Wealth Management (Pty) Ltd</b>	Currency: <b>USD</b>
Custodian: <b>Northern Trust (Guernsey) Limited</b>	Minimum subscription: <b>USD 7,500 (or currency equivalent)</b>	Inception date: <b>11 July 2018</b>	Fund size: <b>USD 18.8 million</b>
Subscriptions / redemptions: <b>each Wednesday</b>	Initial fee: <b>none</b>	Financial year-end TER**: <b>tbc</b>	TER**: <b>tbc</b>
Investment timeframe: <b>7 years +</b>	ASISA sector: <b>Fund of funds</b>	Valuation point: <b>11:00pm (Guernsey time) on the relevant Dealing Day</b>	
Income distribution: <b>Accumulating, income received is not distributed</b>	Price per share (as at 29 May 2019): <b>USD 0.9566</b>	Benchmark: <b>MSCI AC World</b>	
Subscriptions cut-off time: <b>The application form to subscribe must be completed and received by the Administrator by no later than 12:00 noon (Guernsey time) one Business Day before the relevant Dealing Day, with cleared funds to be received by 12:00 noon (Guernsey time) on the relevant Dealing Day</b>			
Redemptions cut-off time: <b>Written notice to redeem must be received by the Administrator by 12:00 noon (Guernsey time) one Business Day before the relevant Dealing Day</b>			

Up to date Fund prices per share are available on [www.morningstar.co.za](http://www.morningstar.co.za) or upon request from the Manager or Administrator

## Investment objective

The Fund is designed to offer capital appreciation over the longer term through investment primarily in a basket of international equity markets and currencies. The Fund is ideally suited to investors with a high risk tolerance with an investment horizon of 7 years or longer.



## Top holdings

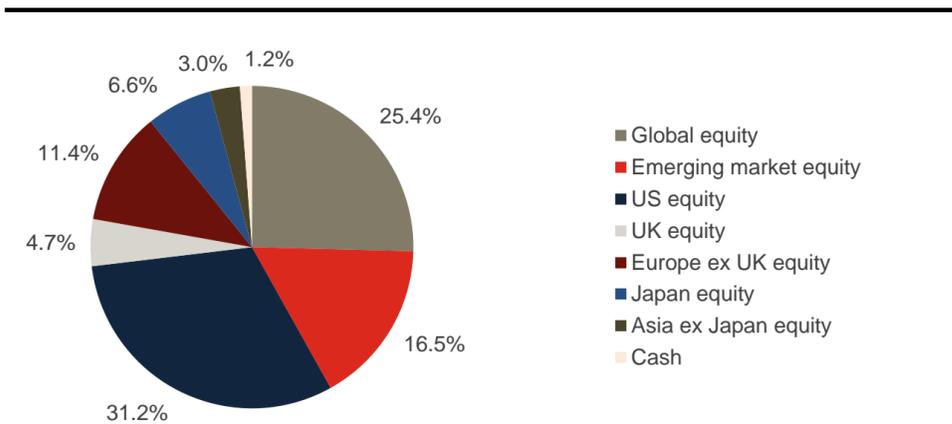
Holdings	Asset type	Weight
iShares Edge MSCI USA Momentum Factor ETF	Equity	10.7%
iShares Edge MSCI USA Quality Factor ETF	Equity	10.5%
iShares Edge MSCI USA Value Factor ETF	Equity	10.0%
Vanguard FTSE Emerging Markets ETF	Equity	8.4%
iShares Core MSCI Emerging Markets IMI ETF	Equity	8.1%
Vanguard Global Stock Index	Equity	7.9%
iShares Edge MSCI World Value Factor ETF	Equity	7.6%
iShares Edge MSCI World Quality Factor ETF	Equity	7.4%
Vanguard Japan Stock Index	Equity	6.6%
Vanguard FTSE UK All Share Index	Equity	4.7%

## Investment statistics (since inception)

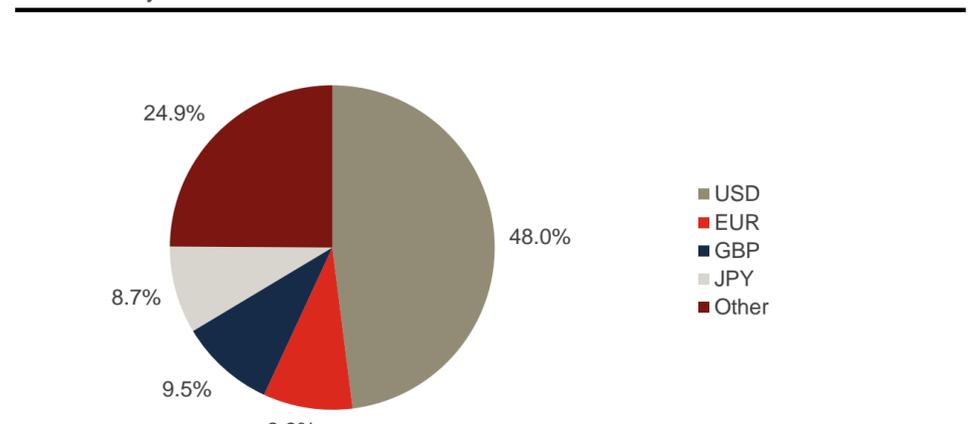
Cumulative return:	-4.34%
Annualised return:	} <i>annualised return and volatility statistics may only be published 12 months after the inception of the Fund.</i>
Annualised volatility:	

Source: Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

## Current asset allocation\*\*\*



## Currency allocation



Source: Momentum Global Investment Management Limited, Northern Trust International Fund Administration Services (Guernsey) Limited.

## Fees applicable to Class A participating shares

Management and administration fee (per annum):		Investment management fee (per annum):		Distribution partner fee (per annum):	Other applicable fees (per annum):	
NAV of the Fund	Fee	NAV of the Fund	Fee	0.30%		
Up to USD 30m	0.35%	Up to USD 30m	0.35%		Custody fees:	
From USD 30m to USD 60m	0.30%	From USD 30m to USD 60m	0.30%		Up to USD 30m	0.05%
Over USD 60m	0.25%	Over USD 60m	0.25%		From USD 30m to USD 60m	0.04%
<i>subject to a minimum of USD 22,000 per annum</i>		<i>subject to a minimum of USD 30,000 per annum</i>			From USD 60m to USD 100m	0.03%
					Over USD 100m	0.02%
					<i>subject to a minimum of USD 8,000 per annum.</i>	
Performance fees are not applicable to this Fund		Performance fees: 0.00%			<i>(Custodian fee per transaction: USD 25)</i>	
					Directors' fees: 0.00%	

\* Please refer to the fund supplement and scheme particulars for a detailed description of fees and fund facts.

\*\* The Total Expense Ratio (TER) for this Fund cannot currently be accurately determined. TER information may only be made available after the Fund has been in existence for more than one year. The TER of this Fund will be higher than the Management and Administration fee.

\*\*\* Current asset allocation figures reflect the strategic classification of the collective investment schemes (or similar schemes) held by the Fund and do not look through to the underlying holdings of such schemes.

## ■ Market commentary

Following the strong performance of global equity markets through the first four months of the year, the tide changed dramatically in May with the trade war dominating the market narrative. There was a sharp shift out of risk assets, notably equities, and towards perceived safe havens, reflected in a rise of 1.7% in the Japanese yen against the US dollar. Developed equities declined 4.9% and, unsurprisingly in an environment of rising fears about global trade and growth, emerging markets weakened even more, down 8.5%.

The sudden announcement that the US would be moving ahead with tariff increases on US imports from China, and the threat to apply 5% tariffs on goods from Mexico, unnerved investors. US equities were significantly weaker, ending the month down 5.4%. UK equities declined 2.5% in sterling terms, but the pound fell sharply amid renewed Brexit uncertainty following the announcement of Prime Minister May's resignation. Elsewhere in Europe, the unfolding battle between Italy's populist government and the EU Commission came back into focus.

Bond markets were the main beneficiaries during May, with 10-year Treasury yields falling by 38 basis points while German 10-year yields fell to a new all-time low of -0.20%. This resulted in a return of 1.8% for US Treasuries. As recessionary fears surfaced credit spreads widened and investment grade bonds underperformed government bonds, returning 0.8% while high yield bonds suffered negative returns.

To say we are living through extraordinary times is beyond dispute. The current economic expansion in the US is soon set to become the longest in history, employment growth in the US and elsewhere has been very strong, monetary policy across the developed world remains ultra-loose by any historical standard and yet inflation is still remarkably subdued. Indeed, recent falls in core inflation measures especially in the US have rattled investors and raised fears of weaker growth and tougher conditions for the corporate sector ahead, and in Europe and Japan of prolonged deflation. The escalation of the US-China trade war to much broader issues than trade alone, and beyond China to the closest allies and trading partners of the US, poses a serious threat to global stability and the global economy. Some caution is therefore warranted in the short term, but we take the view that the cycle has further to run and if falls in markets continue interesting valuation opportunities will arise.

Source: Bloomberg, Momentum Global Investment Management Limited.

## ■ Risk warnings and important notes

Collective investments are generally medium to long-term investments. The value of units may go down as well as up and past performance is not necessarily a guide to the future.

Collective investments are traded at ruling prices. Commission and incentives may be paid and, if so, would be included in the overall costs. All performance is calculated on a total return basis, after deduction of all fees and commissions and in US dollar terms. Forward pricing is used.

The Fund invests in other collective investments, which levy their own charges. This could result in a higher fee structure for the Fund.

Fluctuations in the value of the underlying funds, the income from them and changes in interest rates mean that the value of the Fund and any income arising from it may fall, as well as rise, and is not guaranteed.

Deductions of charges and expenses mean that you may not get back the amount you invested.

The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and may change in the future.

Higher risk investments may be subject to sudden and larger falls in value in comparison to other investments. Higher risk investments include, but are not limited to, investments in smaller companies, even in developed markets, investments in emerging markets or single country debt or equity funds and investments in high yield or non-investment grade debt.

Notwithstanding ongoing monitoring of the underlying funds within the Fund, there can be no assurance that the performance of the funds will achieve their stated objectives.

The Fund will contain shares or units in underlying funds that invest internationally. The value of an investor's investment and the income arising from it will therefore be subject to exchange rate fluctuations.

Foreign securities 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.

The Fund may contain shares or units in underlying funds that do not permit dealing every day. Investments in such funds will only be realisable on their dealing days. It is not possible to assess the proper market price of these investments other than on the fund's dealing days.

No borrowing will be undertaken by the Fund except for the purpose of meeting short term liquidity requirements. Borrowings will not exceed 10% of the net asset value of the Fund. For such purpose, the securities of the Fund may be pledged. No scrip borrowing will be allowed. The Cell is not permitted to enter into any form of borrowing or loan arrangement with other cells of the Company nor other collective investment schemes of the Manager.

While derivative instruments may be used for hedging purposes, the risk remains that the relevant instrument may not necessarily fully correlate to the investments in the Fund and accordingly not fully reflect changes in the value of the investment, giving rise to potential net losses.

Forward contracts are neither traded on exchanges nor standardised. Principals dealing in these markets are also not required to make markets in the currencies they trade, with the result that these markets may experience periods of illiquidity. Banks and dealers will normally act as principals and usually each transaction is negotiated on an individual basis.

The Manager has the right to close the Fund to new investors, in order to manage it more efficiently, in accordance with its mandate.

Investment in the Fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.

Investors are reminded that any forecasts and/or commentary included in this MDD are not guaranteed to occur, and merely reflect the interpretation of the public information and propriety research available to the Investment Manager at a particular point in time.

This report should be read in conjunction with the prospectus of Momentum Mutual Fund ICC Limited and the supplement, in which all the current fees and fund facts are disclosed.

Copies of these scheme particulars, including the Prospectus, Fund Supplement, and the annual accounts of the Scheme, which provide additional information, are available, free of charge, upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF, Telephone 0044 1481 735480, or from our website [www.momentum.co.gg](http://www.momentum.co.gg).

This report should not be construed as an investment advertisement, or investment advice or guidance or proposal or recommendation in any form whatsoever, whether relating to the Fund or its underlying investments. It is for information purposes only and has been prepared and is made available for the benefit of the investors in the Fund.

While all care has been taken by the Investment Manager in the preparation of the information contained in this report, neither the Manager nor Investment Manager make any representations or give any warranties as to the correctness, accuracy or completeness of the information, nor does either the Manager or Investment Manager assume liability or responsibility for any losses arising from errors or omissions in the information.

Momentum Mutual Fund ICC Limited is an incorporated cell company governed by the provisions of the Companies (Guernsey) Law 2008 as amended. Prior to its incorporation as an incorporated cell company on 19 January 2007, it was registered as a protected cell company on 20 February 2006. It is authorised, as an open-ended collective investment scheme of Class B by the Guernsey Financial Services Commission under the Protection of Investors (Bailiwick of Guernsey) Law, 1987 as amended. In giving this authorisation the Guernsey Financial Services Commission do not vouch for the financial soundness of Momentum Mutual Fund ICC Limited or for the correctness of any of the statements made or opinions expressed with regard to it.

Brenthurst Global Equity Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 64824.

Brenthurst Global Equity Fund IC Limited is approved under the South African Collective Investment Schemes Control Act (No. 45 of 2002).

Momentum Wealth International Limited is the Fund Manager, licensed by the Guernsey Financial Services Commission, with its registered office at La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF. Momentum Wealth International Limited is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa. Momentum Wealth International Limited is a full member of the Association for Savings and Investments SA (ASISA).

Momentum Collective Investments (RF) (Pty) Ltd a South African company Registration No. 1987/004287/07, with its registered office at 268 West Avenue, Centurion, 0157, South Africa, has been appointed by the Manager as the Representative Office for the fund. Share call number 0860 111 899 Telephone +27 (0) 12 675 3002 Facsimile +27 (0) 12 675 3889.

Momentum Collective Investments (RF) (Pty) Ltd is an authorised manager of collective investment schemes in terms of the Collective Investment Schemes Control Act, No 45 of 2002.

Northern Trust International Fund Administration Services (Guernsey) Limited is the Fund Administrator, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 255, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3QL.

Momentum Global Investment Management Limited is the appointed Investment Manager of the fund and is authorised and regulated by the UK Financial Conduct Authority, with its registered address at The Rex Building, 62 Queen Street, London EC4R 1EB. Momentum Global Investment Management Limited is an authorised financial services provider in terms of the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

Brenthurst Wealth Management (Pty) Ltd, a South African registered company, is the appointed Distribution Partner of the fund, with its registered office at Building 3 Prism Business Park Corner Fourways Boulevard & William Nicol Drive, Fourways, Gauteng, South Africa, 2055.

Northern Trust (Guernsey) Limited is the Custodian, licensed by the Guernsey Financial Services Commission, with its registered office at PO Box 71, Trafalgar Court, Les Banques, St Peter Port, Guernsey, GY1 3DA.

Momentum Wealth International Limited retains full legal responsibility for the Fund.

Momentum Wealth International Limited does not provide any guarantee, either with respect to the capital or the return of the Fund.

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