

# Brenthurst Global Balanced Fund - Class A USD

Fund data for the month ending 28 August 2019

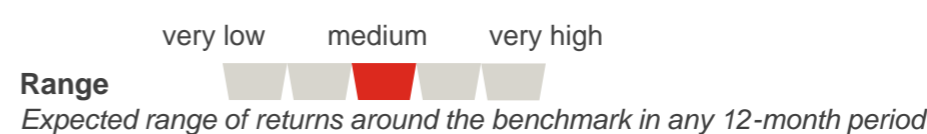
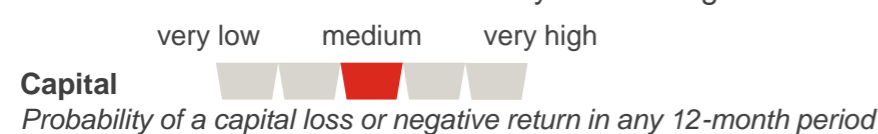
## Fund details\*

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>30 September 2010</b>	Fund size: <b>USD 37.5 million</b>
Subscriptions / redemptions: <b>each Wednesday</b>	Initial fee: <b>none</b>	Financial year-end TER**: <b>1.60%</b>	TER**: <b>1.60%</b>
Investment timeframe: <b>5 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 28 August 2019): <b>USD 1.3604</b>	Benchmark: <b>60% MSCI AC World, 40% ICE BofAML Global Broad Market</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>			

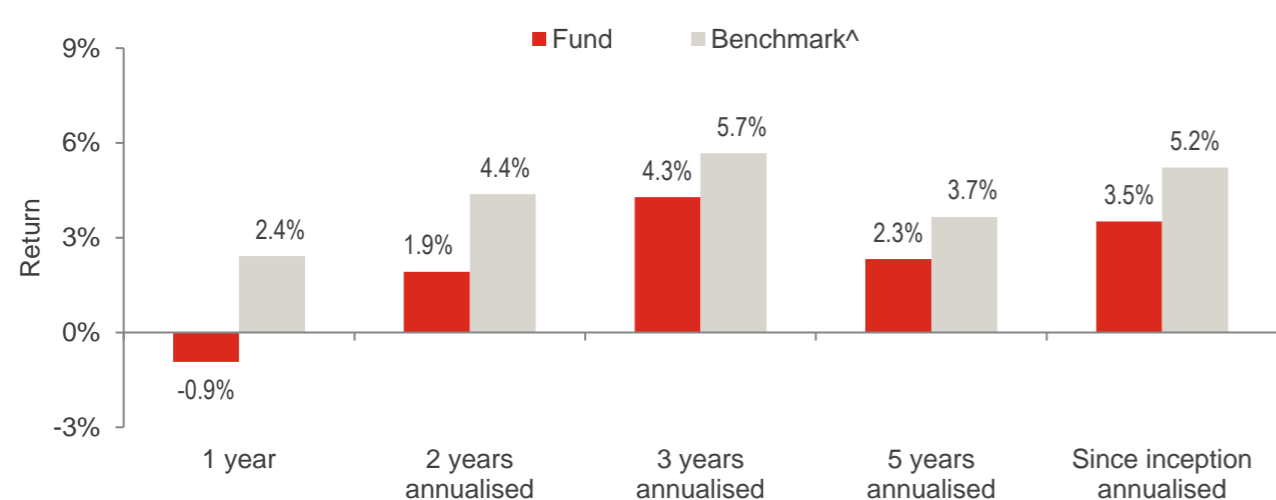
Up to date Fund prices per share are available on [www.morningstar.co.za](http://www.morningstar.co.za) or upon request from the Manager or Administrator

## Investment objective

A diversified portfolio, consisting of assets and participatory interests of portfolios of collective investment schemes or other similar schemes, which invests into a wide range of asset classes including cash, fixed income, equities, property, commodities and asset allocation portfolios. As this portfolio is global in nature, exposure will be taken in a wide range of currencies and markets. The portfolio aims to provide a balance between capital preservation and capital growth over the full investment cycle in local currency terms with a reduced level of volatility. The Fund is suitable for investors with a time horizon of 5 years or longer.



## Fund performance



## Cumulative returns

Year	Highest performance	Lowest performance	Cumulative performance
2010	+3.4% (Dec 2010)	-4.3% (Nov 2010)	-0.5%
2011	+5.7% (Oct 2011)	-5.6% (Sep 2011)	-5.3%
2012	+3.7% (Feb 2012)	-5.8% (May 2012)	+11.0%
2013	+3.3% (Sep 2013)	-3.3% (Jun 2013)	+12.1%
2014	+2.2% (Feb 2014)	-1.8% (Dec 2014)	-0.1%
2015	+4.7% (Oct 2015)	-5.0% (Aug 2015)	-2.9%
2016	+6.4% (Mar 2016)	-5.3% (Jan 2016)	+3.1%
2017	+2.9% (Jan 2017)	+0.5% (Aug 2017)	+15.6%
2018	+4.1% (Jan 2018)	-6.0% (Oct 2018)	-9.7%
Since inception	+6.7% (Jan 2019)	-6.0% (Oct 2018)	+36.0%

Source: Morningstar, Lipper Hindsight, Northern Trust International Fund Administration Services (Guernsey) Limited. Past performance is not indicative of future returns.

<sup>^</sup> Prior to 01.12.17 the benchmark for the performance comparison provided in this document comprised: 50% MSCI AC World, 40% FTSE WBIG, 10% LIBOR USD 7-Day. With effect from 01.07.18 the 40% allocation in the FTSE WBIG index was replaced with the ICE BofAML Global Broad Market index. Both indices have had similar returns since the inception of the Fund and this change, which has not been applied retrospectively, has no significant impact on the performance comparison. The Fund performance is calculated on a total return basis, net of all fees and in US dollar terms. NAV to NAV figures have been used for the performance calculations. The performance is calculated for the Fund. The individual investor performance may differ, as a result of various factors, including the actual investment date. Investment performance calculations are available for verification upon request. Annualised returns are period returns re-scaled to a period of 1 year. This allows investors to compare returns of different assets that they have owned for different lengths of time. Actual annual figures are available to investors upon request.

## Top holdings

Holdings	Asset type	Weight
<sup>1</sup> US Treasury Bonds	Fixed Income	10.6%
<sup>1</sup> Fidelity Emerging Markets	Equity	7.3%
<sup>2</sup> Robeco Global Value	Equity	5.7%
<sup>1</sup> AXA US Short Duration High Yield	Fixed Income	4.7%
<sup>1</sup> Muzinich Enhanced Yield Short-Term (USD hedged)	Fixed Income	4.6%
<sup>2</sup> Jennison	Equity	4.1%
<sup>2</sup> Robeco Global Enhanced Index	Equity	4.0%
<sup>2</sup> Robeco Global Conservative	Equity	4.0%
<sup>1</sup> STANLIB Global Bond	Fixed Income	3.9%
<sup>1</sup> Cash	Cash	3.5%

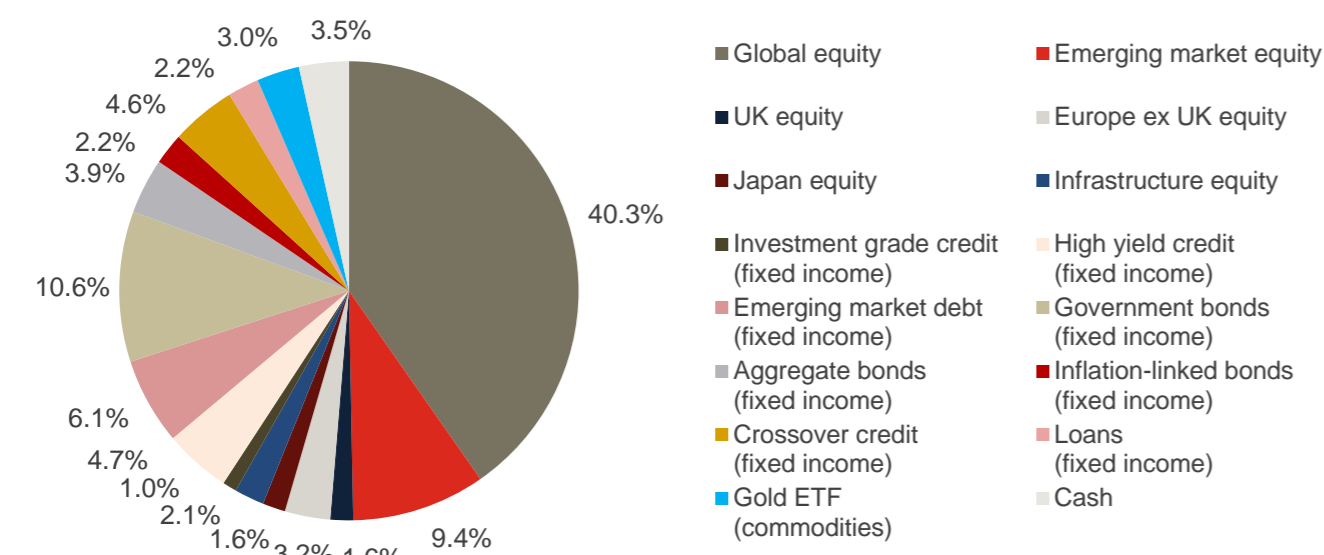
<sup>1</sup> Direct holding <sup>2</sup> Indirectly held in the Momentum IF Global Equity Fund

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

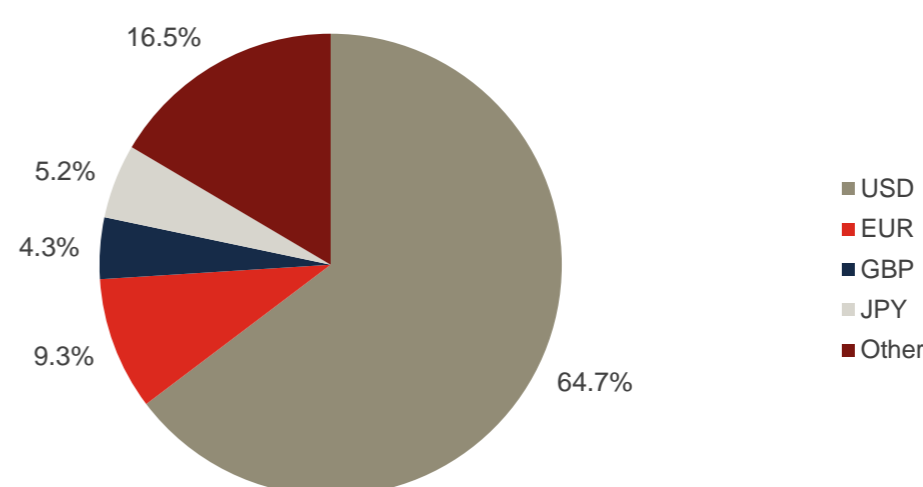
## Investment statistics (since inception)

	Fund
Cumulative return:	36.0%
Annualised return:	3.5%
Annualised volatility:	8.5%

## Current asset allocation\*\*\*



## Currency allocation



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

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

\*\* The Total Expense Ratios (TERs) are the percentages of the net asset value of the class of the Financial Product incurred as expenses relating to the administration of the Financial Product. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. A current TER may not necessarily be an accurate indication of future TERs. The TER to 26 June 2019 is based on data for the period from 27 June 2018 to 26 June 2019 and the financial year-end TER is based on data for the financial year-end to 28 June 2019. Cost ratios are calculated using historical actual and/or estimated data and are provided solely as an indication/guide as to the annual expenses/costs that could be incurred. These ratios do not represent any current/actual charges or fees.

\*\*\* 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

The nervousness which had been creeping into markets during July intensified in August, with growing fears of a more broadly based global economic slowdown than the manufacturing contraction evidenced in the past 9 months. Equities fell sharply across the board, with the largest falls in the most economically exposed sectors. In contrast, safe-haven government bond markets rose sharply, taking yields in many cases to new all-time lows.

Unsurprisingly, in a month when the economic news was almost universally gloomy, emerging markets led the falls. Whereas the developed world equity index fell by 3.3%, emerging markets were down by -6.7%, leaving them up only 1.9% year to date compared with a 13.7% rise in developed markets. In bonds, emerging markets were one of the very few sectors to fall in the month, with a return of -2.1%, compared to a 3.8% positive return from US Treasuries.

It was in fixed income that the most remarkable moves took place. Worries about recession and continuing low inflation, together with the change in interest rate expectations and shift to easier monetary policy across the world led to extraordinary moves in bond yields. The US Treasury yield curve inverted across most of the curve, including the widely watched 2 year-10 year, which is often seen as a reliable indicator of a forthcoming recession. Elsewhere yields fell to new all-time lows.

Less clear is how the ongoing issue of Brexit is ultimately resolved. The political situation in the UK is so fluid that predicting what might happen, is near impossible. However, it appears certain that the only way to resolve the impasse, now that the UK has a minority government with little prospect of enacting its policy objectives concerning either Brexit or domestic matters, is for a general election within the next few weeks. UK markets, as a result, have remained under a cloud of uncertainty and seem set to continue to underperform the rest of the world until some clarity finally begins to emerge.

We have pointed to the need for greater caution in our recent commentaries and that caution remains warranted. The economic backdrop has deteriorated, corporate earnings are under pressure especially in sectors most exposed to manufacturing, and markets are largely discounting sizeable policy easing by central banks in coming months. But the extent of the global slowdown needs to be kept in perspective; trade and manufacturing are contracting but the service sector continues to grow, albeit more slowly, employment remains strong and the consumer is generally in good shape. There are no signs of systemic financial problems nor capacity shortages, inflation and a sudden tightening of policy. With inflation subdued central banks have considerable flexibility in keeping policy ultra-loose for much longer, thereby extending this extraordinary cycle.

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

## ■ 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 +44 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 Balanced Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 51755.

Brenthurst Global Balanced 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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