

Caleo Global Flexible Fund (Class A USD)

Month ended 31 October 2018

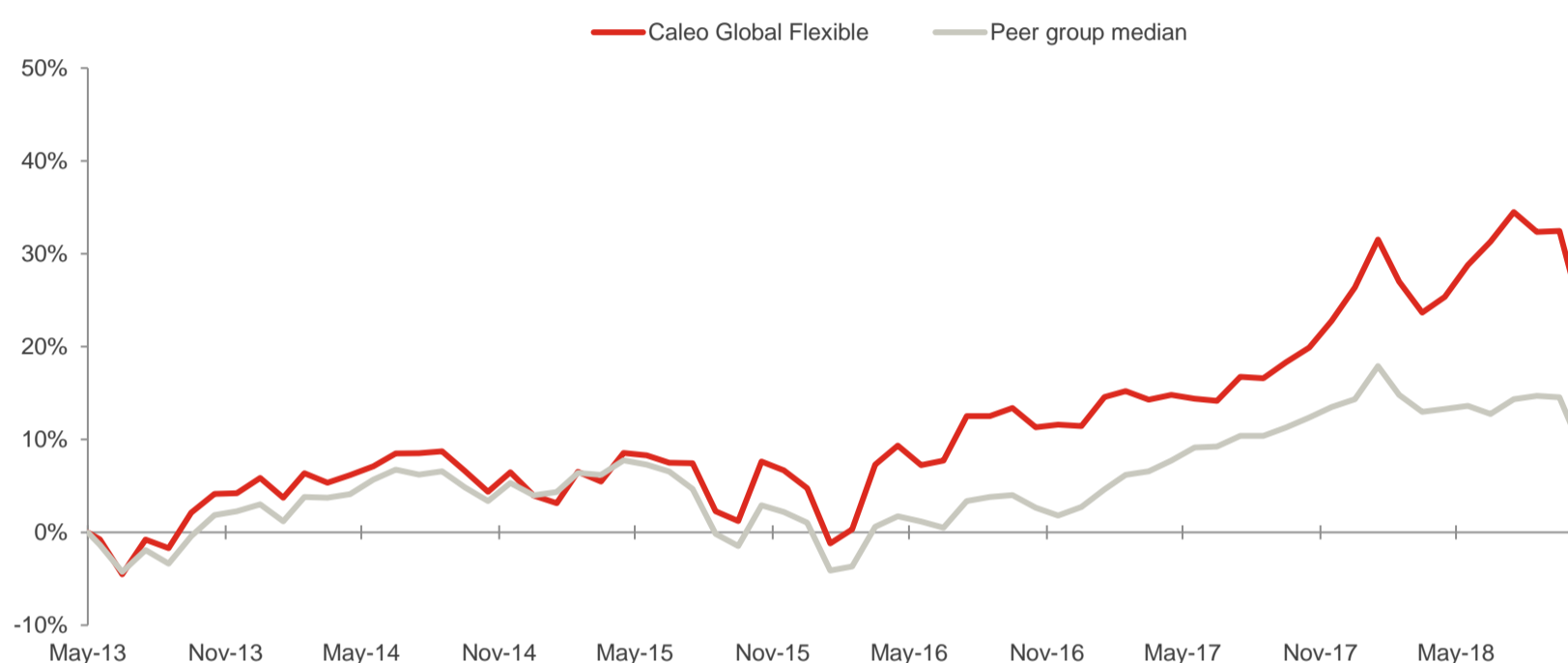
Fund details†

Investment manager: Momentum Global Investment Management	Inception date: 15 May 2013	Class A ISIN: GG00B97L2C47
Sub-investment manager: Caleo Capital (Pty) Limited	Subscriptions / redemptions: weekly	Minimum subscription: USD 7,500
Distribution partner: Caleo Capital (Pty) Limited	Currency: USD	Distribution partner fee: none Initial fee: none
Investment timeframe: 5 years +	Price per share: USD 1.2358	Peer group: Morningstar OE USD Flexible Allocation

Investment objective

The primary objective of the Fund is capital appreciation in real terms over the investment horizon. The Fund is ideally suited to investors with a moderate to aggressive risk tolerance (measured in the base currency of the Fund) over an investment cycle of five years or longer. The diversified portfolio invests into a wide range of asset classes including cash, bonds, equities, property, commodities and alternative investment strategies. As this portfolio is global in nature, exposure will be taken in a wide range of currencies and markets.

Cumulative returns



Past performance is not indicative of future returns. Fund performance is calculated on a total return basis, net of all fees and in US dollar terms. Peer group: Morningstar OE USD Flexible Allocation. Prior to July 2015 the peer group was Morningstar OE USD Moderate Allocation.

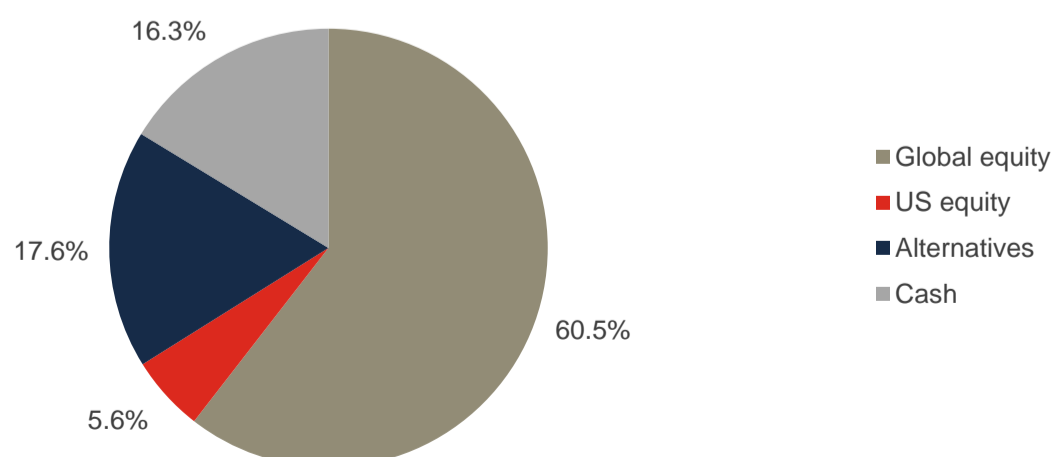
Top holdings

Holdings	Asset type	Weight
Fundsmith Equity	Equity	36.0%
Contrarius Global Equity	Equity	24.5%
Caleo Alternative Income	Alternatives	17.6%
Cash	Cash	16.3%
ProShares S&P 500 Dividend Aristocrats ETF	Equity	4.0%
ProShares Russell 2000 Dividend Growers	Equity	1.6%

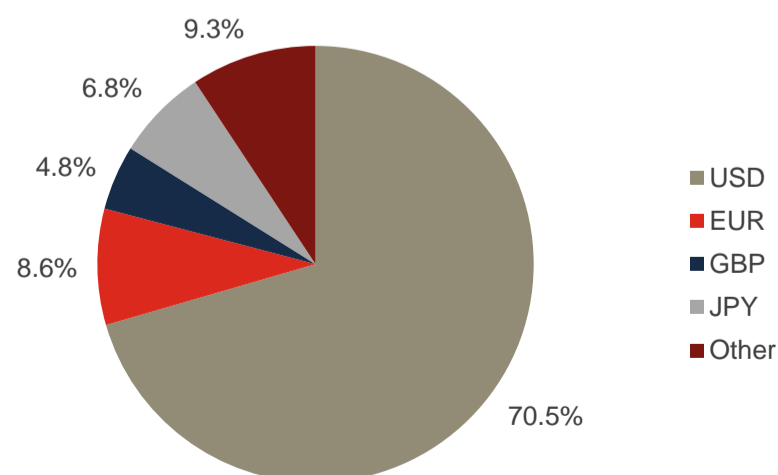
Investment statistics (since inception)

Current month return:	-7.1%
Cumulative return:	23.6%
Annualised return:	4.0%
Annualised volatility:	8.8%

Strategy allocation



Currency allocation



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

† Refer to the fund supplement and scheme particulars for a detailed description of fees and fund facts.

* This includes the fees relating to management and administration, investment management and custody.

■ Market commentary

As was mentioned last month's report, the US economy once again shows no signs of slowing down yet volatility returned in October with large market sell downs occurring. Market participants are struggling to point a clear catalyst which caused this sell off. Higher interest rates may be a reason with US 10-year Treasury yield breaching the 3.2% mark in October. This higher move is attributable to real yields rising and not concerns over inflation. Headline CPI for the month of October fell to 2.3%. US consumer spending was a significant contributor of the strong GDP print with the preliminary GDP print for Q3 coming in at 3.5%. Market PMI printed positive numbers for both composite and services beating estimates for both. Unemployment remains at the lowest level since 1969 coming in at 3.7%.

The S&P ended the month 6.84% lower.

In Europe, September economic activity continued to disappoint with Markit PMI composite falling again for the month. October saw the reading fall to 52.7 from the previous 54.1. Prelim GDP for Q3 also disappointed dropping to 1.7% from the previous 2.2%. Unemployment remained steady at 8.1% with CPI also remaining constant at 2.2%.

FSE Dax TR and Euronext Paris CAC 40 GR returned -6.53% and -7.23% respectively for the month while the MSCI Europe ex UK GR ended -5.65%.

In the UK, retail Sales YoY for September saw some pressure growing at 3% which was slightly lower than expectations. CPI also eased somewhat printing 2.4%. The impact of imported inflation started to face whilst inflation domestically began firming. Wage growth grew at an annual pace of 3.1%, its highest reading since the financial crisis. Looking forward, a falling inflation and higher wage growth is supportive for UK consumers and we should see this increasing sentiment in the months to come.

Brexit negotiations continue to drag it's heels with no material agreements taking place. The summit between the EU and UK did not achieve any breakthroughs in October which adds concerns as the deadline date is fast approaching.

FTSE 100 TR finished the month 4.85% lower.

Emerging Markets (MSCI EM 50 NR) ended the month -10.14%.

The Caleo Global Flexible fund ended -7.11% for the month. The fund sold its position in the Ashburton India Equity Opportunity fund.

Source: Caleo Capital (Pty) Limited.

■ Risk warnings and important notes

Investment in the Fund may not be suitable for all investors and financial advice should be sought before proceeding with an investment. Past performance is not indicative of future returns and there can be no assurance that the performance of the Fund will achieve its stated objective. All performance is calculated on a total returns basis, net of all fees and commissions and in US dollar terms.

Collective investments are generally medium to long term investments and are traded at ruling prices. The value of the Fund and any income arising from it are not guaranteed and may fall, as well as rise, due to the value of its holdings, the income derived from them, and changes in interest rates. The Fund will hold shares or units in underlying funds which invest internationally, which will be exposed to exchange rate fluctuations, and may erode any potential gains.

Higher risk investments, such as small companies (even in developed markets), emerging markets, single country debt, equity funds, high yield and sub-investment grade debt may be more prone to sudden and larger falls in value in comparison to other investments. Unregulated funds may permit a greater degree of leverage than is permitted with regulated funds that are available to the general public in South Africa, which increases volatility and the risk of larger losses should the fund's value decrease.

The Fund may contain shares or units in underlying funds that do not permit dealing every day. It is not possible to immediately assess the proper market price of these investments, as they will only be realisable on their dealing days.

A fund of fund collective investment scheme only invests in other collective investments, which levy their own charges. The fees charged within the Fund and by the managers of the underlying funds are not guaranteed and are subject to change thereby impacting the Fund's performance. Commissions and incentives may be paid and, if so, would be included in the overall costs. Deductions of charges and expenses mean that you may not get back the amount you invested.

Momentum Global Investment Management Limited is the Investment Manager, 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 also an authorised Financial Services Provider pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

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 a Class B Collective Investment Scheme 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.

Caleo Global Flexible Fund IC Limited is a registered incorporated cell of Momentum Mutual Fund ICC Limited, with registered number 56161. The Cell was registered with the name "Caleo Global Balanced Fund IC Limited and changed its name to "Caleo Global Flexible Fund IC Limited" on 12 June 2015.

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 pursuant to the Financial Advisory and Intermediary Services Act No. 37 of 2002 in South Africa.

Caleo Capital (Pty) Limited, a South African registered company, is the appointed Sub-Investment Manager and Distribution Partner of the fund, with its registered office is at Atlantic House, Glenhove Square, 71 4th Street, Houghton, South Africa, 2198.

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

This document should be read in conjunction with the Prospectus of Momentum Mutual Fund ICC Limited and the Fund Supplement, in which all the current fees and expenses charged to the Fund are disclosed. For a detailed description of such fees and expenses, please refer to these Scheme Particulars which are available upon request from Momentum Wealth International Limited, La Plaiderie House, La Plaiderie, St Peter Port, Guernsey, GY1 1WF.

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