Strategic portfolio details

Investment manager: **Momentum Global Investment Management** *(subdelegate of Momentum Wealth International Limited)*		
Inception date: **01 June 2020**	Reporting currency: **USD**	Discretionary manager fee: **0.50%**
Investment target: **Global Cash*** **+2.5%**	Investment timeframe: **3 years +**	Total investment charges (TIC)**: **0.80%**

Investment objective

The portfolio is designed to offer capital preservation with some opportunity for capital appreciation over the medium term through investment in a diversified range of international asset classes and currencies. The portfolio is ideally suited to investors with a low risk tolerance with an investment horizon of 3 years or longer.

Investment policy

The portfolio will invest primarily in participatory interests of collective investment schemes or other similar schemes whose underlying portfolios provide exposure to a diversified portfolio of investments across a broad range of asset classes, currencies and market sectors, in varying proportions over time. These asset classes include cash, equity, fixed income, money market instruments, property, and commodities. Asset allocation portfolios that provide an exposure to a combination of these asset classes may also qualify for inclusion in the portfolio. All holdings must be approved by the Financial Sector Conduct Authority in South Africa.

Cumulative returns

¹ Performance figures prior to the inception date of the portfolio (shown in blue) correspond to a similar strategy managed by the same investment team since 1 January 2019. This strategy has the same investment objective and investment restrictions as the portfolio. The portfolio's live track record began on 1 June 2020 and is shown in the red portion of the line above.

Past performance is not indicative of future returns.

Holdings

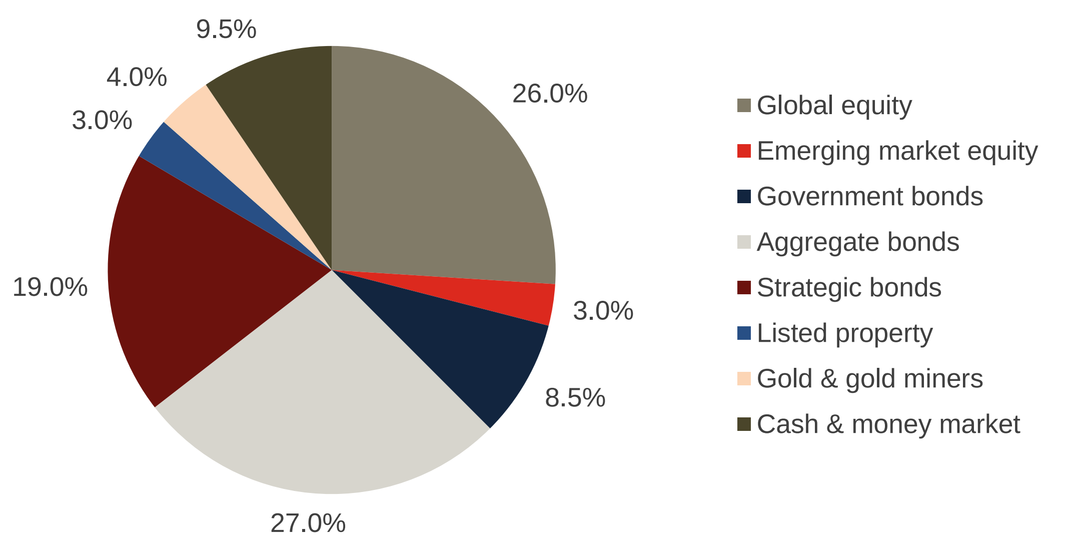
Holding	Asset type	Weight
Equity		**29.0%**
Ninety One Global Strategic Equity	Equity	7.5%
Ninety One Global Franchise	Equity	6.0%
Schroder Global Recovery	Equity	5.0%
Nedgroup Global Equity	Equity	4.5%
Sands Capital Global Growth	Equity	3.0%
Fidelity Emerging Markets	Equity	1.5%
Sands Capital Emerging Markets Growth	Equity	1.5%
Fixed income		**54.5%**
Coronation Global Strategic USD Income	Fixed Income	19.0%
STANLIB Global Bond	Fixed Income	19.0%
iShares Global Government Bond	Fixed Income	8.5%
Dodge & Cox Global Bond	Fixed Income	8.0%
Property		**3.0%**
Catalyst Global Real Estate	Property	3.0%
Commodities		**4.0%**
Ninety One Global Gold	Commodities	4.0%
Cash & money market		**9.5%**
Ninety One US Dollar Money	Money Market	9.5%

Investment statistics

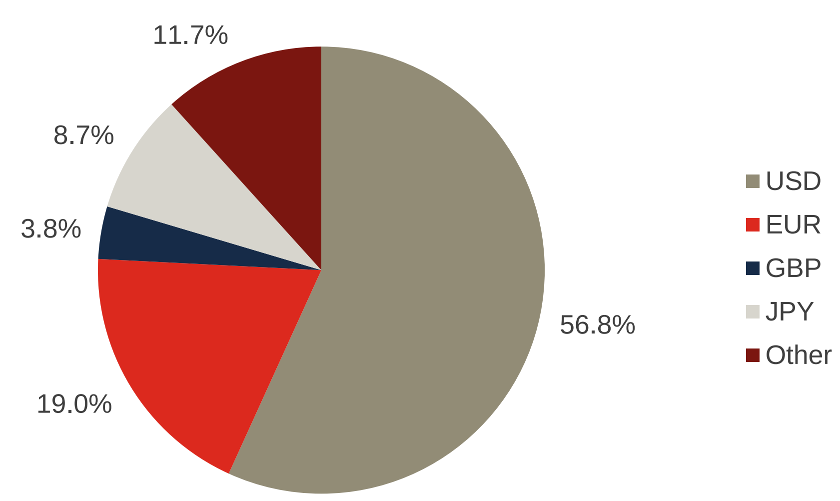
	Similar strategy & Portfolio performance¹	**Portfolio performance**
Current month return:	0.6%	0.6%
Cumulative return (since inception^):	26.4%	16.6%
Annualised return (since inception^):	9.2%	13.1%
Annualised volatility (since inception^):	8.7%	5.5%

^ The *since inception* date for:
(i) Similar strategy & Portfolio performance statistics is 1 January 2019
(ii) Portfolio performance statistics is 1 June 2020

Strategy allocation²



Currency allocation



² Strategy allocation figures reflect the classification of the collective investment schemes (or similar schemes) held by the portfolio and look through to the underlying holdings of such schemes.

* Global Cash is composed of to 50% ICE LIBOR 3M USD; 25% ICE LIBOR 3M EUR; 10% ICE LIBOR 3M GBP; 15% ICE LIBOR 3M JPY

** This is an estimated TIC based on the weighted average of the Collective Investment Schemes in which the Portfolio invests. The TIC has been calculated using the latest available data from Morningstar.

Sources: Momentum Global Investment Management, Morningstar

This communication is produced by Momentum Global Investment Management Limited, of 62 Queen Street, London EC4R 1EB and issued by Momentum Wealth International Limited

Market commentary

In a relatively quiet month for markets, equities made further progress while government bond markets slipped back. With the Delta variant continuing to spread, leading to the imposition of new restrictions by China and many other countries, consumer confidence, high frequency mobility and other leading indicators weakened.

Growth is also being restrained by two other developments in recent months. First, the increasing evidence of supply shortages, especially semiconductors but spreading well beyond that, due to the surge in demand as lockdowns were eased earlier in the year and to production disruption triggered by the pandemic. The second dampener has been the slowdown in China. With the economy recovering earlier than others last year from the pandemic the authorities removed stimulus measures and focussed more on financial stability in the early months of 2021. The resulting loss of momentum was then exacerbated by tightened regulations and sanctions on a wide range of the private sector, which has soured sentiment and confidence.

Developed markets, measured by the MSCI World index, returned 2.5% over the month, with the UK and US returning 1.9% and 3.0% respectively. Emerging markets rose 2.6% in local terms.

Bond markets returned -0.5% in August, as measured by the Bank of America Merrill Lynch Global Broad Market index, with US Treasuries and US corporate investment grade bonds returning -0.1% and -0.3% respectively, compared with 0.5% from US high yield bonds.

As the impact of the pandemic progressively fades over the next 12 months, and with the combination of highly accommodative monetary policy and continuing fiscal support, the prospects are for abnormally high growth this year and next. While this will be at lower levels than the immediate post-pandemic recovery surge, it remains a strong environment for the corporate sector. We therefore remain broadly constructive about risk assets. Given the strength of equity markets over the past year, returns are likely to be harder to come by in the very short term and the Fed's tapering decision overhangs markets. It adds a dimension of risk and potentially higher volatility. But to date the Fed has flagged its intentions well and markets are prepared for some tightening. We should be prepared for some periods of volatility but we believe we are in a long market cycle and with patience and true diversification investors will be well rewarded in the year ahead.

Source: Bloomberg Finance LP, Momentum Global Investment Management Limited.

Risk warnings and important notes