



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.

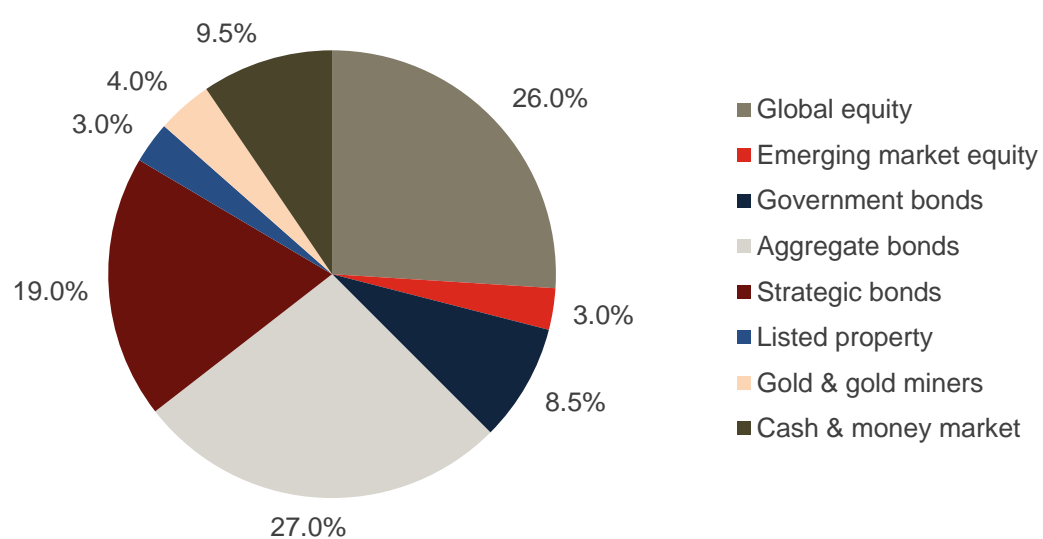
Investment policy

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.

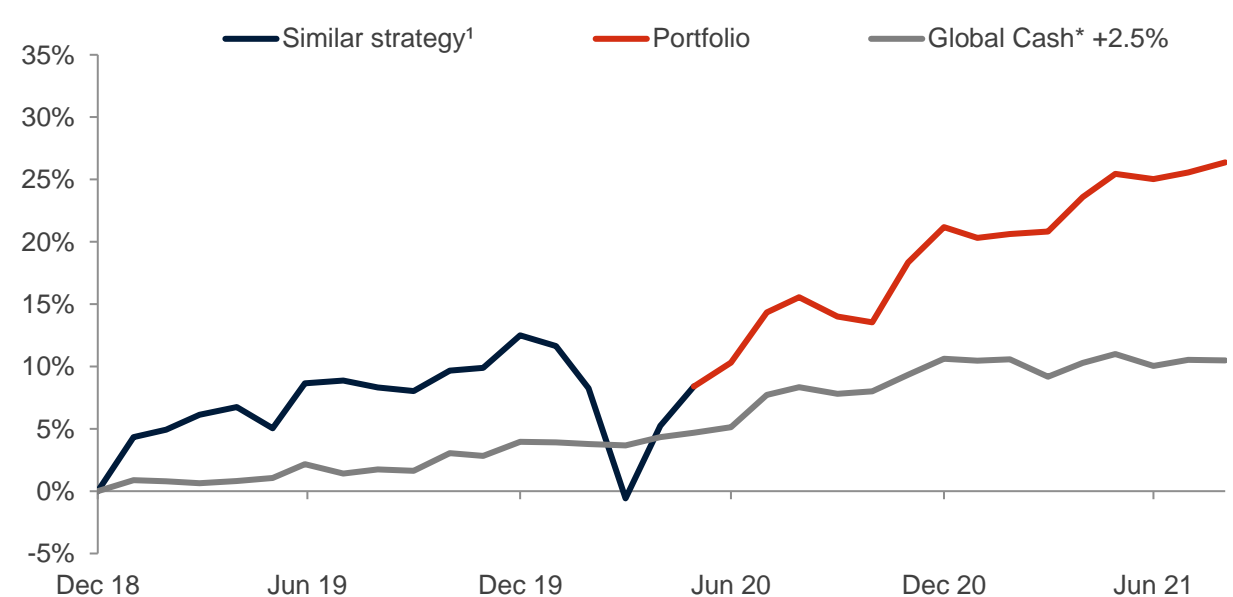
Holdings

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%

Strategy allocation²



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.

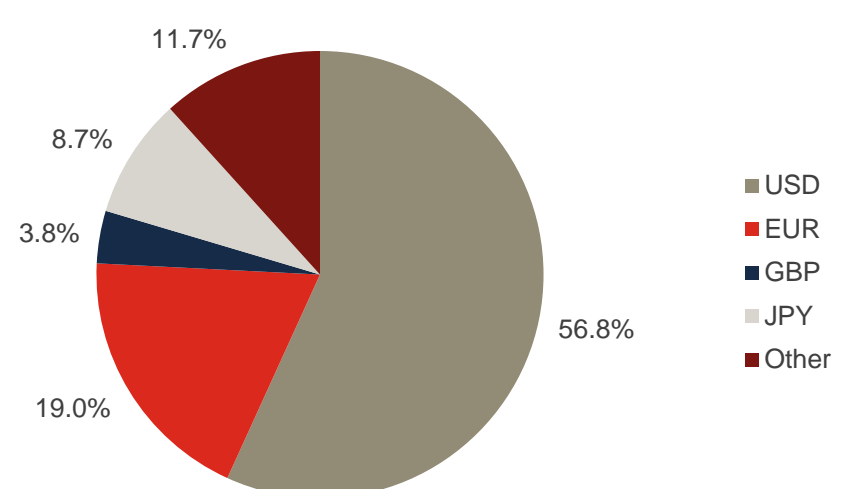
Investment statistics

	Similar strategy & Portfolio performance ¹	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

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.

■ 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

For professional advisors only.

This factsheet is for information purposes only and does not provide all the facts needed to make an informed investment decision. It should not be construed as an investment advertisement, a proposal or recommendation, or as investment advice or guidance, in any form whatsoever, whether relating to the Portfolio or its underlying investments. Investors should obtain advice from their financial adviser before proceeding with an investment.

This factsheet represents the performance and allocations of a strategic model and is not available for sale. The actual returns may differ depending on the timing of investments and re-balance trades executed on the Momentum contract of an investor.

The Portfolio invests in collective investments, which are generally medium to long-term investments. The value of the underlying funds and the income from them can go down as well as up. Investors may not get back the original amount invested. There is no guarantee, either with respect to the capital or the return of the Portfolio. Past performance is not a guide to future performance.

All performance is calculated on a total return basis, after deduction of all fees and commissions and in US dollar terms. The underlying collective investments levy their own charges. This could result in a higher fee structure for the Portfolio. The fees charged within the Portfolio and by the managers of the underlying funds are not guaranteed and may change in the future. Deductions of charges and expenses mean that you may not get back the amount you invested.

An estimate of the total fee that you will pay for investment management is the TIC, plus the effect of any initial fee. The investment manager charges an initial fee and an ongoing fee for managing the assets of a particular investment component on your behalf. The fees are based on the market value of the underlying investment in each of the investment components. It is included in the price of the investment component and will not reflect as a separate fee on the Contract. There are management and operating costs in the investment component that could have an impact on an investment's growth. The TIC is a recognised method to measure this. Internationally, TIC is known as the total expense ratio (TER). It includes the investment manager's ongoing fee as well as any other expenses incurred inside the investment component over the last year, such as performance fees and the costs of buying and selling assets underlying the investment component. The TIC is a backward-looking measure, which means that it could change from year to year. If a TIC is not available, we may use the TER, which is the TIC excluding transaction costs. Where neither a TIC nor a TER is available, we use the investment manager ongoing fee.

Notwithstanding ongoing monitoring of the underlying funds within the Portfolio, there can be no assurance that the performance of the funds will achieve their stated objectives. Any forecasts and/or commentary included in this factsheet merely reflect the interpretation of the public information and proprietary research available to the Investment Manager at a particular point in time.

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.

The Portfolio 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 Portfolio 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.

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