

## Momentum Focus 4 Fund of Funds

### Momentum Outcome-based Investing background (Philosophy)

Investment success is about consistently meeting an investor's investment needs – whether that be to generate an income stream in retirement, preserve capital or simply to grow wealth within the parameters of a certain risk profile.

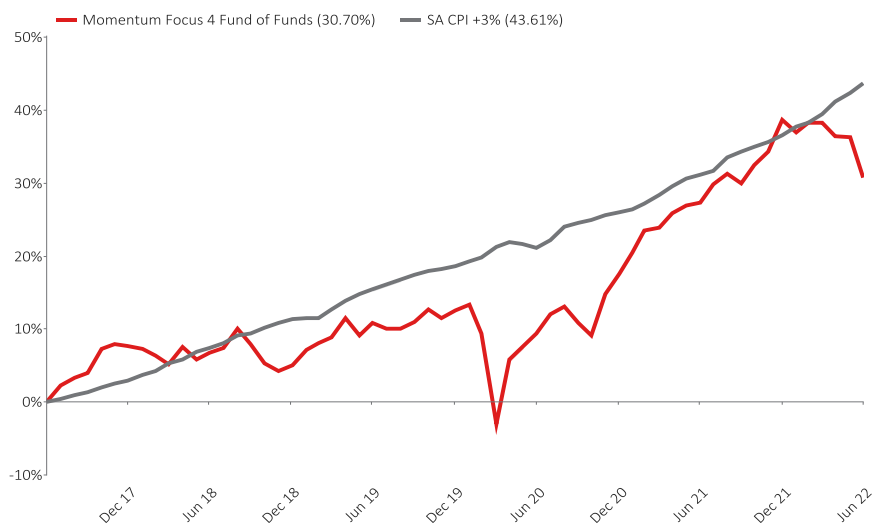
In order to maximise that probability of an investor reaching their desired objective, Momentum has built a leading range of outcome-based investment solutions that set their sights beyond mere benchmarks and instead focus on the things that matter the most to investors, ensuring they achieve their investment goals.

### Investment outcome and portfolio objectives

The Fund is a low to medium equity, multi-asset, Fund of Funds portfolio which aims to provide investors with modest growth in income and capital over the long term. The portfolio is suited to investors with a low to moderate risk profile targeting returns of CPI + 3% per annum over rolling four year periods. A tolerance for capital volatility over the short to medium term is required and a four year or longer investment horizon. Global and local equity exposure will range between 30% and 50%.

### Portfolio performance

#### 5 year cumulative performance graph



#### Annualised performance

|                     | 1 year | 3 years | 5 years | Launch  |
|---------------------|--------|---------|---------|---------|
| Fund                | 2.61%  | 5.66%   | 5.50%   | 5.01%   |
| Benchmark           | 9.51%  | 7.56%   | 7.51%   | 7.48%   |
| High <sup>[1]</sup> | 21.44% | 27.68%  | 27.68%  | 27.68%  |
| Low <sup>[1]</sup>  | 2.61%  | -10.89% | -10.89% | -10.89% |
| Cash                | 4.18%  | 5.01%   | 5.93%   | 6.01%   |
| Inflation           | 6.51%  | 4.56%   | 4.51%   | 4.49%   |

<sup>[1]</sup> High/Low – highest/lowest 1 year return of the portfolio/class of portfolio during the period detailed.

### Portfolio information

Benchmark CPI + 3% p.a. over a 4 year rolling period  
 ASISA sector SA - Multi Asset - Medium Equity

Portfolio size R 700.15 million

Portfolio inception 4 April 2017

The Portfolio inception (above) is the launch date of this portfolio on the Momentum Collective Investments (MCI) Scheme. The Launch date (below) depicts the launch/performance start date of the relevant class of this portfolio.

Launch date 4 April 2017

Launch price 100.00 (cpu)

Latest price (30/06/2022) 110.12 (cpu)

JSE Alpha Code MESGFC

ISIN Number ZAE000241006

Minimum investment

Momentum Wealth platform minimums apply.

Portfolio managers

Jako de Jager  
 BCom (Hons) Investment Management  
 Ronnie Bornman  
 BSc (Mathematical Statistics), CFA

### Portfolio charges and ratios

Initial management fee 0% (incl. VAT)  
 Initial advisory fee 0% - 3.45% (incl. VAT)  
 Annual management fee 0.805% p.a. (incl. VAT)  
 Annual advisory fee 0% - 1.15% (incl. VAT)

Financial year end TER (incl. VAT): 1.31%

The disclosed Financial year end TER (total expense ratio) is shown as an annual percentage based on data for the 1 year period to 30 June 2021.

Cost ratios (incl. VAT) as at 31 March 2022:

| TER (%) | TC (%) | TIC (%) |
|---------|--------|---------|
| 1.31%   | 0.11%  | 1.41%   |

TER (%): Total Expense Ratio, TC (%): Transactions Costs Ratio,  
 TIC (%): Total Investment Charges (TER (%) + TC (%))

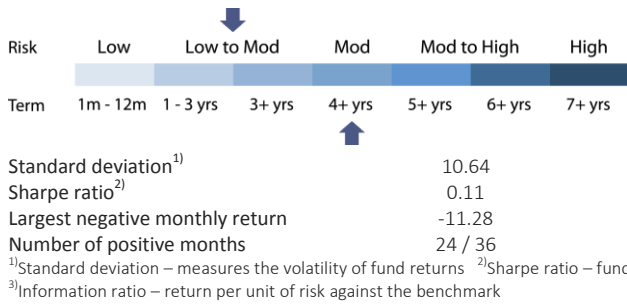
Please see Disclosures section for further information on cost ratios

### Income distribution (cpu)

|                 | Dividend | Interest | Total |
|-----------------|----------|----------|-------|
| Sep'21          | 0.335    | 0.676    | 1.011 |
| Dec'21          | 0.199    | 0.635    | 0.834 |
| Mar'22          | 0.422    | 0.752    | 1.174 |
| Jun'22          | 0.265    | 0.774    | 1.038 |
| Jul'21 - Jun'22 | 1.220    | 2.836    | 4.057 |

Distribution takes place Quarterly : March, June, September, December

## Risk/reward profile and 3 year statistics

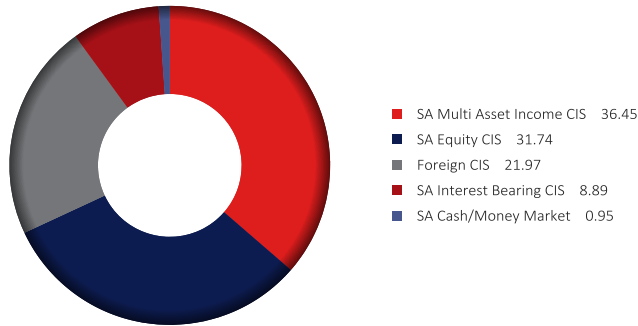


### Specific risks

This portfolio is permitted to invest in foreign securities which, within portfolios, 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. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Investors are reminded that an investment in a currency other than their own may expose them to a foreign exchange risk.

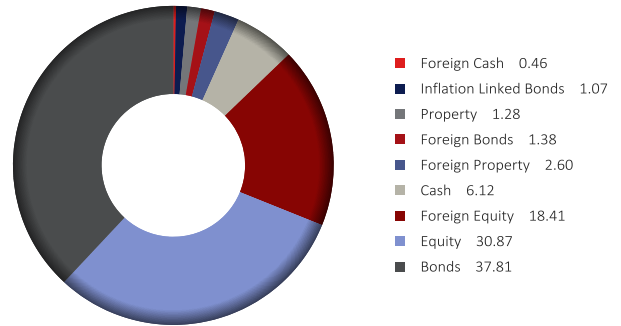
## Holdings

### Portfolio allocation (%)



Portfolio holdings (%)

### Asset type allocation (look through) (%)



Manager allocation (look through) (%)

| Manager       | Holding                                         | %     |
|---------------|-------------------------------------------------|-------|
| Momentum OBS  | Momentum SA Flex Fixed Interest B               | 26.20 |
| Momentum GIM  | Momentum GF Global Equity A USD                 | 16.91 |
| Momentum OBS  | Momentum Diversified Income B11                 | 9.83  |
| Momentum AM   | Momentum Enhanced Yield B2                      | 8.89  |
| Truffle AM    | Momentum Opportunistic Equity C                 | 7.31  |
| Ninety One SA | Momentum Macro Growth F1                        | 5.94  |
| Fairtree AM   | Fairtree Equity Prescient B2                    | 4.91  |
| M&G IM        | Momentum Ultra Long-Term Value F1               | 4.02  |
| Momentum OBS  | Momentum Trending Equity C                      | 3.91  |
| BlueAlpha IM  | Momentum High Growth F1                         | 3.05  |
| Momentum OBS  | Momentum Capped SWIX Index A1                   | 2.59  |
| BlackRock FM  | iShares Gbl Prop Sec Eqty Index (UK) D Dist GBP | 2.53  |
| Momentum GIM  | Momentum GF Global Em Mkts Eqty I USD Acc       | 1.98  |
| Momentum GIM  | Momentum GF Global Fixed Income I USD Acc       | 0.55  |
| Cadiz AM      | Cadiz Absolute Yield A                          | 0.33  |
| Momentum AM   | Momentum Inflation Linked Bond RF A             | 0.09  |
|               | SA Cash/Money Market                            | 0.95  |

| Manager                   | %     |
|---------------------------|-------|
| Momentum OBS              | 42.53 |
| Momentum GIM              | 19.44 |
| Momentum AM               | 8.98  |
| Truffle AM                | 7.31  |
| Ninety One SA             | 5.94  |
| Fairtree AM               | 4.91  |
| M&G IM                    | 4.02  |
| BlueAlpha IM              | 3.05  |
| BlackRock FM              | 2.53  |
| Cadiz AM                  | 0.33  |
| Foreign Cash/Money Market | 0.00  |
| SA Cash/Money Market      | 0.95  |

## Portfolio objective/investment policy

The Momentum Focus 4 Fund of Funds is a multi-asset Fund of Funds portfolio with the objective to secure consistent real returns net of fees in excess of inflation + 3% p.a. over rolling four year periods, through a combination of active asset allocation and predominately active investment strategies. The portfolio will, apart from assets in liquid form, consist solely of participatory interests and other forms of participation in local and global collective investment scheme portfolios, or other similar schemes operated in territories with a regulatory environment that is of a sufficient standard to provide investor protection, at least equivalent to that in South Africa, and which is consistent with the portfolio's primary objective, investing in, equity securities, property securities, non-equity securities, money market instruments, preference shares, government and corporate bonds, inflation linked bonds and other interest bearing securities and investments, listed and unlisted financial instruments and participatory interests in collective investment scheme portfolios. The portfolio will be managed in line with prudential investment guidelines for retirement funds in South Africa to the extent allowed for by the Act. To provide modest growth in income and capital over the long term the portfolio's equity exposure will range between 30% and 50% of the portfolio's net asset value. The portfolio may from time to time invest in listed and unlisted financial instruments for the purpose of hedging exchange rate risk in order to achieve the portfolio's investment objective. Nothing shall preclude the Manager from varying the ratios of securities or assets in liquid form in changing economic environment or market conditions, or to meet the requirements in terms of legislation and from retaining cash or placing cash on deposit in terms of the Deed and Supplemental Deed. The Trustee shall ensure that the investment policy is carried out. For the purposes of this portfolio, the manager shall reserve the right to close the portfolio to new investors. This will be done in order to manage the portfolio in accordance with its mandate.

## Portfolio limits and constraints

- Exposure limits as per the ASISA fund classification structure.
- CISCA Board Notice 90 of 2014 investment limitations.
- The portfolio is managed in accordance with Prudential Investment Guidelines applicable to Retirement Funds.



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## Contact and other information

### Scheme

Momentum Collective Investments Scheme

### Custodian/Trustee

Standard Bank of South Africa Limited

Telephone: +27 (0)21 441 4100

Registration no.: 1962/000738/06

### Management company

Momentum Collective Investments (RF) (Pty) Ltd

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Web: [www.momentuminv.co.za](http://www.momentuminv.co.za)

Registration no.: 1987/004287/07

### Investment manager

Momentum Outcome-based Solutions (Pty) Ltd

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Registration no.: 2004/023064/07

## Disclosures

Momentum Collective Investments (RF) (Pty) Ltd (the "Manager"), registration number 1987/004287/07, is authorised in terms of the Collective Investment Schemes Control Act, No 45 of 2002 (CISCA) to administer Collective Investment Schemes (CIS) in Securities. The Manager is the manager of the Momentum Collective Investments Scheme, and MMI Holdings Ltd is a full member of the Association for Savings and Investment SA. Standard Bank of South Africa Limited, registration number 1962/000738/06, is the trustee of the scheme.

Momentum Focus 4 Fund of Funds is a portfolio of the Momentum Collective Investments Scheme and Momentum Outcome-based Solutions (Pty) Ltd, registration number: 2004/023064/07, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number: 19840, is the investment manager of this portfolio.

Momentum Focus 4 Fund of Funds is a Fund of Funds CIS portfolio. A Fund of Funds, apart from assets in liquid form, consists solely of participatory interests in portfolios of CIS, which may levy their own charges, which could result in a higher fee structure for Fund of Funds than some other forms of CIS portfolios.

The Total Expense Ratio (TER) is the percentage 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 TER's. The disclosed TER is shown as an annual percentage based on data for the period from 01 April 2019 to 31 March 2022. The Transaction Costs Ratio (TC) is the percentage of the net asset value of the Financial Product incurred as costs relating to the buying and selling of the assets underlying the Financial Product. Transaction costs are a necessary cost in administering the Financial Product and impacts Financial Product returns. The TC should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of Financial Product, the investment decisions of the investment manager and the TER. The disclosed TC is shown as an annual percentage based on data for the period from 01 April 2019 to 31 March 2022. The Total Investment Charges (TIC) is the sum of the TER and the TC and is shown as a percentage depicting the annual costs relating to the investment of the Financial Product. 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.

All portfolio performance is calculated for a portfolio/portfolio class. Individual investor returns may differ as a result of fees, actual date(s) of investment, date(s) of reinvestment of income and withholding tax. All portfolio performance shown is net of the Total Investment Charges (TIC) but excludes any initial or ongoing advisory fees that may, if applicable, be charged separately. Annualised returns, also known as Compound Annualised Growth Rates (CAGR), are calculated from cumulative returns; they provide an indication of the average annual return achieved from an investment that was held for the stated time period. Actual annual figures are available from the Manager on request. All portfolio performance figures quoted (tables and charts where present) are as at 30/06/2022, based on a lump sum investment, using NAV-NAV prices with income distributions reinvested on the ex-dividend date. CPI/Inflation figures, where present, are lagged by one month. Cash figures, where present, are STeFI Composite Index returns. All figures quoted in ZAR. Source: Morningstar and/or Momentum.

CIS are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. CIS are traded at ruling prices and can engage in borrowing and scrip lending. The CIS may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. Different classes of units apply to portfolios, which are subject to different fees and charges. A schedule of fees and charges and maximum commissions is available on request from the Manager. The Manager reserves the right to close and reopen certain portfolios to new investors from time to time in order to manage them more efficiently in accordance with their mandate. This portfolio is valued daily at approx. 24h00. Latest prices can be viewed at [www.momentuminv.co.za](http://www.momentuminv.co.za) and in some national newspapers. Forward pricing is used. Instructions must reach the Manager before 14h00 to ensure same-day value. The Manager does not provide any guarantee, either with respect to the capital or the return of this portfolio. Additional information on the proposed investment including, but not limited to, brochures, application forms and the annual report and any half yearly report can be obtained, free of charge, at [www.momentuminv.co.za](http://www.momentuminv.co.za) or on request from the Manager.

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