

# Momentum Focus 7 Fund of Funds (B3)

Minimum Disclosure Document (MDD)

31 May 2025



## Portfolio Manager Commentary

Global markets expanded their recovery in May, building on the lows from April as trade tensions eased and consumer sentiment improved. Broad-based gains across risk assets were fuelled by the progress in United States (US) trade negotiations with the European Union (EU) and a temporary delay to planned tariff hikes for many countries. The NASDAQ Composite index led global equity markets for the month delivering a consecutive positive return, up 9.6% in US dollar (USD) terms. The S&P 500 followed suit, also delivering a solid return for the month, up 6.3% in US dollar (USD) terms. The trade talks between the US and the EU assisted in alleviating fears of a recession and boosted European equities, with the MSCI Europe (ex-UK) 4.6% higher in USD terms. Local asset classes performed well during May, aided by signals of a potentially lower inflation target and the expectation of a further 0.25% interest rate cut towards the latter part of the month, which supported local bond performance.

Developed markets made gains following an agreement between China and the US to put reciprocal tariffs on hold for 90 days, as well as the US Supreme Court's ruling that Trump's 'Liberation Day' tariff proposals were illegal, citing that he did not have the authority to utilise the emergency economic powers legislation when imposing them. Developed market equities (MSCI World) outperformed emerging markets, ending the month 5.9% higher in USD terms. Emerging market equities (MSCI EM) were solid for the month, up 4.3% in USD terms, primarily aided by a weaker US dollar. Chinese equities (MSCI China) returned 2.7% for the month in USD terms, as trade tensions toned down and a degree of confidence was restored. Global property (FTSE EPRA Nareit) ended the month positively, up 2.4% in USD terms.

Bond markets were volatile in May, caught in limbo between competing risks from inflation, reduced growth and rising fiscal concerns. Yields climbed higher mid-month post the downgrade of the US sovereign credit rating, which prompted a sell-off in longer dated Treasuries and raised questions about the long-term sustainability of government borrowing. Performance from global bonds (FTSE WGBI) diverged in May, delivering a negative return, down 0.7% in USD terms. The rand strengthened by 3.6% to end the month at R17.99 against the US dollar.

South African (SA) equities (FTSE/JSE Capped SWIX) had another strong run, ending the month 3% higher. Listed property (ALPI) continued to drive local equity returns, delivering 3.1% in May and 34% over the last year. Financials rose 2.5% higher, post a strong month in April, while Industrials and Resources also followed suit, ending the month 3.9% and 2.6% higher respectively.

SA bonds (FTSE/JSE ALBI) ended the month in positive territory, 2.7% higher. Shorter dated instruments in the one to 3-year and three to 7-year maturities ended the month 0.8% and 1.7% higher, respectively, while bonds in the seven to 12-year spectrum ended the month 3.6% higher. Bonds at the long end of the curve, in the 12+ year spectrum, delivered a positive return after being under pressure for the past three consecutive months, ending 3.6% higher. Local cash (STeFI) continued to deliver inflation-beating returns, returning 0.6% for the month and 8.1% over the last year.



## Risk Appetite

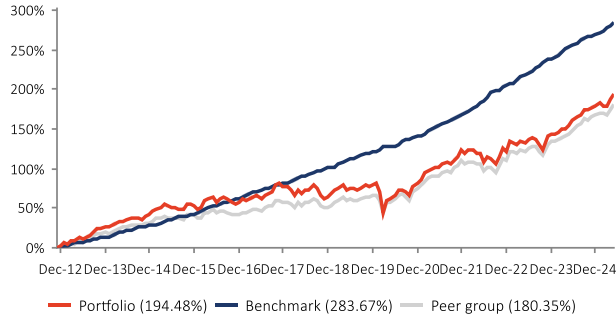
The portfolio typically has moderate to high equity exposure which may result in capital volatility over the shorter term. The portfolio is managed in such a manner that capital losses over one year periods may occur.

Please see Specific Risks section in the Disclosures.

Investment strategy	Short Term	Medium term	Medium to long term	Long term
Risk Appetite	Conservative	Moderate	Moderately aggressive	Aggressive



## Cumulative Performance



The chart reflects cumulative returns since Launch.

## Investment Objective and Summary of Investment Policy

The portfolio is a high equity, multi-asset-class Fund of Funds with the objective of delivering a consistent real total return above inflation plus 5% a year, net of fees, over seven-year rolling periods. It has a long-term investment horizon and, therefore, the aim is to maintain a high exposure to growth asset classes (local and global equities and property). The portfolio consists of the full universe of asset classes, including global investments of up to 45%. The portfolio's equity exposure will range between 0% and 75% of the net asset value. Exposure limits are as per the ASISA classification structure. Investments to be included in the portfolio, apart from assets in liquid form, consist solely of participatory interests and other forms of participation of local and global collective investment schemes. The portfolio may from time to time invest in listed and unlisted financial instruments for the purpose of hedging exchange rate risk, in accordance with the provisions of the Act. The portfolio shall comply with the prudential investment guidelines.

Inception date: 01 July 2004

Launch date: 03 December 2012

Inception date is of the portfolio on the Momentum Collective Investments (MCI) Scheme.

This portfolio underwent a name and investment policy change, and was reclassified by ASISA, with effect from March 2012. For comparative performance reporting purposes the track record is not shown prior to March 2012.

Launch date is class specific and is the date from which returns in this document are based.

Benchmark: CPI + 5% p.a. over any 7 year rolling period (CPI + 6% until 31/10/2024, CPI + 7% until 30/11/2017)

Investment horizon: Seven years

Peer group: (ASISA) SA - Multi Asset - High Equity

Reg.28 Compliant: Yes

## Investor Profile

This portfolio is suitable for investors who:

- want capital growth with a high return above inflation;
- are comfortable with significant equity market fluctuations; and
- have an investment horizon of at least seven years.

## Fees

Initial Management Fee	0%
Initial Advisory Fee	0% - 3.45%
Annual Management Fee	1.093% p.a.
Annual Advisory Fee	0% - 1.15% p.a.
Performance Fee	N/A

## Cost Ratios

Total Expense Ratio (TER)	1.59%
Transaction Cost Ratio (TC)	0.17%
Total Investment Charges (TIC)	1.76%
Financial year-end TER to 30/06/2024	1.66%

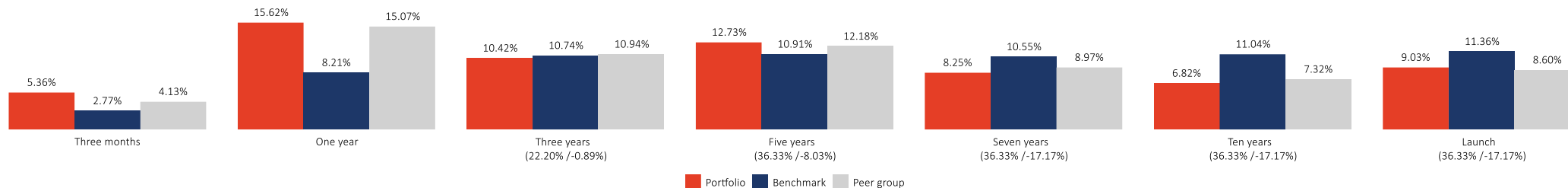
Please see Fees section in the Disclosures.

## Investment Manager

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## Summary Performance



Returns for periods exceeding one year are annualised. The highest and lowest individual 1- year returns are shown in the "( )" for each relevant period.



## Monthly Performance

		Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2021	Portfolio	3.06%	3.86%	1.46%	1.74%	0.13%	0.03%	2.43%	1.23%	-1.15%	2.73%	1.64%	3.85%	23.00%
	Benchmark	0.59%	0.89%	1.09%	1.18%	1.08%	0.58%	0.68%	1.57%	0.87%	0.68%	0.78%	0.87%	11.41%
2022	Portfolio	-1.23%	1.40%	-0.13%	-1.67%	-0.24%	-5.29%	3.49%	-0.77%	-3.72%	4.97%	4.86%	-2.01%	-0.89%
	Benchmark	1.06%	0.68%	1.06%	1.43%	1.05%	1.14%	1.50%	1.95%	0.67%	0.58%	0.84%	0.75%	13.45%
2023	Portfolio	6.21%	-0.63%	-1.74%	2.81%	-1.27%	1.90%	1.09%	-0.99%	-3.06%	-2.77%	7.58%	1.25%	10.23%
	Benchmark	0.84%	0.40%	1.20%	1.46%	0.84%	0.66%	0.66%	1.35%	0.74%	1.09%	1.34%	0.40%	11.53%
2024	Portfolio	-0.20%	0.80%	1.87%	0.50%	1.54%	2.11%	1.93%	1.05%	2.13%	-0.11%	1.41%	0.77%	14.65%
	Benchmark	0.49%	0.57%	1.41%	1.24%	0.73%	0.65%	0.57%	0.90%	0.57%	0.57%	0.33%	0.41%	8.76%
2025	Portfolio	1.01%	-0.91%	-0.13%	2.99%	2.44%								5.45%
	Benchmark	0.49%	0.69%	1.27%	0.79%	0.69%								3.99%

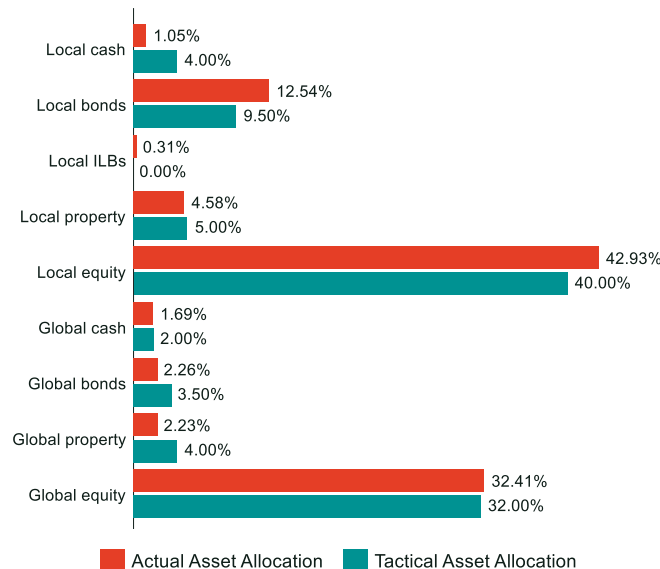


## Holdings and Investment Managers

	Manager	Allocation
<b>Local money market</b>		
Curate Momentum Enhanced Yield B2	Momentum AM	1.32%
<b>Local ILBs</b>		
Momentum Inflation Linked Bond RF A	Momentum AM	0.01%
<b>Local multi asset income</b>		
Momentum Diversified Income B11	Momentum M-Mgr	1.44%
Momentum SA Flex Fixed Interest B	Momentum M-Mgr	10.17%
<b>Local property</b>		
Catalyst SCI Flexible Property C	Catalyst FM SA	3.77%
Curate Momentum Flexible Property B	Sesfikile Capital	2.14%
<b>Local equity</b>		
Momentum Macro Growth F1	Ninety One SA	8.51%
Momentum Opportunistic Equity C	Truffle AM	11.32%
Momentum Thematic Growth Equity F1	Fairtree AM	8.82%
Momentum Trending Equity C	Momentum M-Mgr	4.43%
Nedgroup Inv SA Equity B8	Laurium Capital	11.12%
<b>Global bonds</b>		
Coronation Global Strategic USD Income P	Coronation IM Intl	1.24%
Momentum GF Global Fixed Income I USD Acc	Momentum GIM	2.57%
<b>Global equity</b>		
Curate Global Em Mkts Equity I USD Acc	Momentum GIM	3.33%
Curate Global Sustainable Equity I USD Acc	Momentum GIM	28.45%
Momentum FutureTrends E	Momentum M-Mgr	0.58%
<b>Cash</b>		0.79%



## Asset Allocation



Tactical asset allocation is the asset allocation allocated to new investments.



## Income Distribution (cpu)

Month	Dividend	Interest	Total
June 2024	25.861	27.969	53.830
December 2024	14.390	19.607	33.997
June 2024 to May 2025	40.252	47.576	87.827

Distribution takes place: 1st working day of July and January.



## Other information

Denomination:	ZAR
Fund size:	R 3.17 billion
Launch price:	(cpu)
Latest price (30/05/2025):	6451.55 (cpu)
Status (new business):	Open
Minimum lump sum:	R 2,000
Minimum monthly:	R 250
JSE alpha code:	MFSB3
ISIN number:	ZAE000173894



## Disclosures

### Management Company, Scheme and Trustee

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 is a full member of the Association for Savings and Investment SA (ASISA). Standard Bank of South Africa Limited, registration number 1962/000738/06, is the trustee of the scheme.

### Investment Manager

Momentum Focus 7 Fund of Funds is a portfolio of the Momentum Collective Investments Scheme and Equilibrium Investment Management (Pty) Ltd, registration number 2007/018275/07, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number 32726, is the investment manager of this portfolio.

### Fees

Momentum Focus 7 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 January 2022 to 31 December 2024. 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 January 2022 to 31 December 2024. 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. 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.

### Performance

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 31 May 2025, 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.

### Pricing

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. This portfolio is valued daily at approx. 24h00. Latest prices can be viewed at [www.momentum.co.za/collectiveinvestments](http://www.momentum.co.za/collectiveinvestments) and in some national newspapers. Forward pricing is used. Instructions must reach the Manager before 14h00 to ensure same-day value.

### 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.

### General

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. 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. 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.momentum.co.za/collectiveinvestments](http://www.momentum.co.za/collectiveinvestments) or on request from the Manager. This document should not be seen as an offer to purchase any specific product and is not to be construed as advice. Investors are encouraged to obtain independent professional investment and taxation advice before investing with or in any of the Manager's products.



## Contact and other information

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### Scheme

Momentum Collective Investments Scheme

### Custodian/Trustee

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