

Momentum Defender Fund

Wealth

31 May 2019

momentum

investments

Launch date on Wealth platform:

17 March 2008

Fund size:

R368 million

**Benchmark/
Target Return:**

After-tax cash over 12-month rolling terms

Unit prices:

The fund is daily priced. The relevant fund management fee and tax (where applicable) is applied to the daily unit price

Ongoing investment management fee:

1.00% pa

Product availability:

All Momentum Wealth products, except for the Wealth Flexible Investment Option (FIO)

Administration platform:

Momentum Wealth

Investment manager:

Momentum Asset Management,
Rand Merchant Bank

Capital guarantee:

The fund provides an inherent, fund-level capital guarantee

Risk profile:

Low risk, conservative

Investment horizon:

Short to medium term

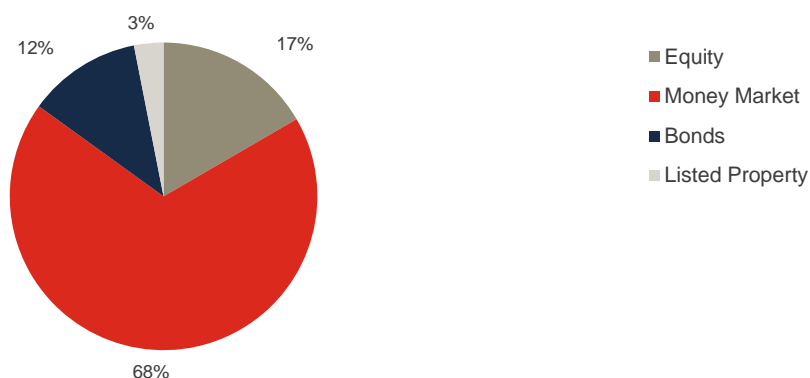
Investment objective

The fund provides secure and stable investment returns and is suited for conservative investors who needs a low-risk, protected growth investment strategy. The fund invests in a well-diversified combination of protected equities, fixed interest and cash (the retirement fund may invest in international assets). An inherent fund level capital guarantee is a unique feature of the fund. A bonus is declared monthly in advance based on the performance of the underlying assets, and once declared, vests in full. This monthly bonus is net of investment management fees and any relevant four-fund tax.

Risk classification



Asset allocation



Fund performance

Monthly bonus declaration history (previous six months):

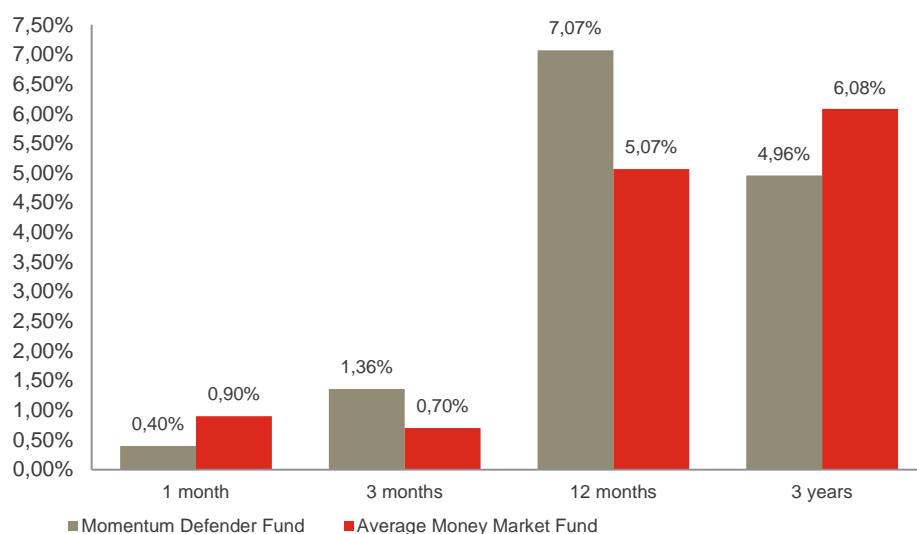
Individual Fund

May '19	0.60%
Apr '19	0.55%
Mar '19	0.45%
Feb '19	0.35%
Jan '19	0.25%
Dec '18	0.25%

Corporate Fund

May '19	0.60%
Apr '19	0.55%
Mar '19	0.45%
Feb '19	0.35%
Jan '19	0.25%
Dec '18	0.25%

Returns are shown net of investment management fees and tax:



1st Quarter 2019 Market Comment

Previously sticky inflation expectations of the price setters in the economy (namely businesses and labour) have finally adjusted lower. If this downward trajectory is sustained, this should remove the SARB's tightening bias and allow for interest rates to remain steady. It is likely still too early to lower the repo rate in the interest of maintaining an attractive real interest rate profile and to counter loose fiscal policy.

There are few signs of demand-pull inflationary pressures in the local economy. Lower services and underlying inflation, together with muted global price pressures, pose downside risks to the inflation trajectory, while administered prices and the rand still act as the main upside risks.

Returns illustrated above apply to lump sum investments. Past performance of any investment is not necessarily a guide to the future. Fluctuations in the value of the underlying assets, and the income derived from these assets and changes in interest rates, mean that the value of an investment may fall as well as rise. All performances are illustrated net of investment management fees, except where otherwise stated. An investment in the fund may not be suitable for all investors. Investors should obtain advice from their financial adviser before proceeding with an investment.