

# Momentum Defender Individual Fund

## Wealth

29 February 2020

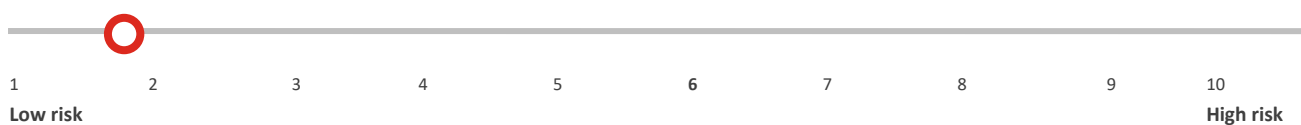


<b>Launch date on Wealth platform:</b> 17 March 2008	<b>Fund size:</b> R345 million	<b>Benchmark/ Target Return:</b> After-tax cash over 12-month rolling terms	<b>Unit prices:</b> The fund is daily priced. The relevant fund management fee and tax (where applicable) is applied to the daily unit price	<b>Ongoing investment management fee:</b> 1.00% pa
<b>Product availability:</b> All Momentum Wealth products, except for the Wealth Flexible Investment Option (FIO)	<b>Administration platform:</b> Momentum Wealth  <b>Investment manager:</b> Momentum Asset Management, Rand Merchant Bank	<b>Capital guarantee:</b> The fund provides an inherent, fund-level capital guarantee	<b>Risk profile:</b> Low risk, conservative	<b>Investment horizon:</b> Short to medium term

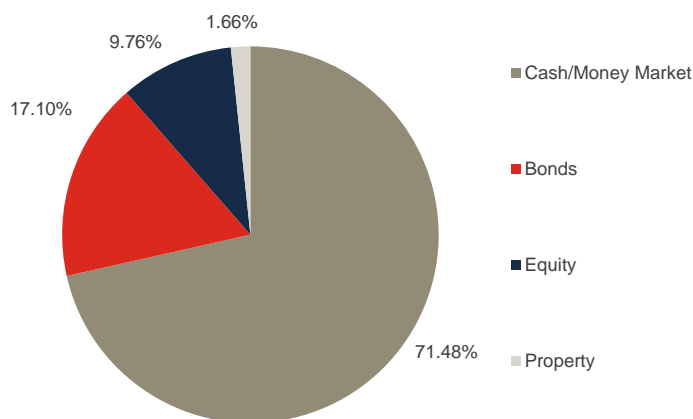
### Investment objective

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

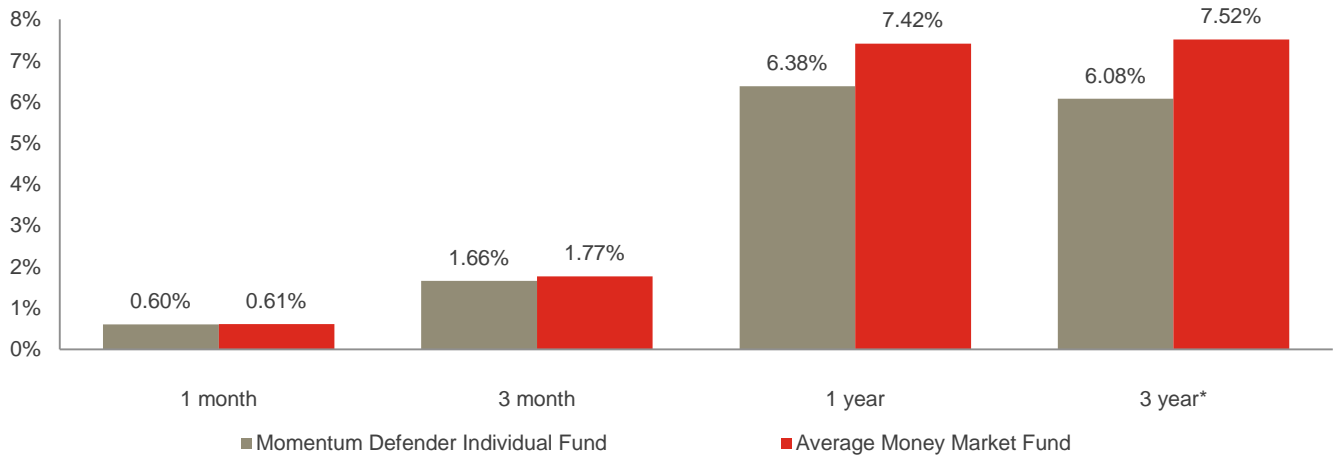


### Fund performance

Monthly bonus declaration history (previous six months):

Individual Fund		Corporate Fund	
Feb '20	0.60%	Feb '20	0.60%
Jan '20	0.50%	Jan '20	0.50%
Dec '19	0.55%	Dec '19	0.55%
Nov '19	0.50%	Nov '19	0.50%
Oct '19	0.50%	Oct '19	0.50%
Sep '19	0.35%	Sep '19	0.35%

Returns are shown net of investment management fees and tax:



\*Returns annualised for terms longer than one year

#### Q4 2019 Market Comment

Headline and core inflation have predominantly surprised to the downside in the past five years. Lacklustre demand and a gradual rise in food inflation should keep inflation well within the target range for the foreseeable future, but the rand and electricity tariffs pose the main upside threats to the inflation trajectory.

The timing of the January 2020 interest rate cut of 25 basis points to 6.25% surprised markets, but a further encouraging drop in longer-term inflation expectations towards the mid-point of the inflation target, comparatively high real interest rates and a sizeable output gap suggest space for an additional interest rate cut later in the year.

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.