

Momentum Inflation Linked Bond Fund

Portfolio profile

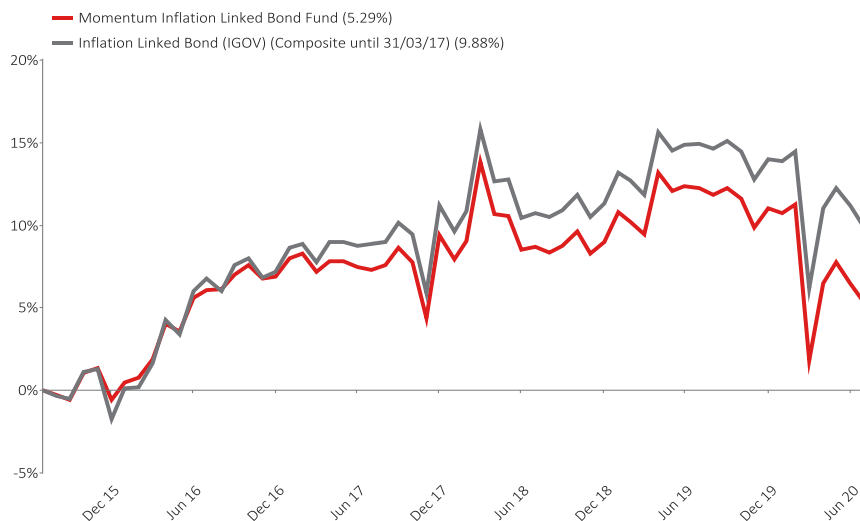
The Fund is a domestic only, fixed income portfolio which aims to provide investors with consistent growth in income and capital in real terms. This portfolio is best utilised as a long term building block given its core inflation-linked bond holdings and focus on providing real returns over time.

Investment strategy

The dominant driver of returns is instruments offering inflation protection. Active management, aimed at optimising returns is implemented through several other sources in the fixed income market including duration, yield curve, credit, repos and alternative strategies. The Fund reflects the Fixed Interest Team's view, which takes advantage of opportunities in each of the above areas, thus diversifying the risk, and maximising the potential for adding value. Derivatives are actively used to eliminate conflicts between the strategies in the various areas of value added.

Portfolio performance

5 year cumulative performance graph



Annualised performance

	1 year	3 years	5 years	7 years	10 years
Fund	-6.22%	-0.63%	1.04%	2.53%	4.71%
Benchmark	-4.38%	0.31%	1.90%	3.62%	5.58%
Sector	5.42%	7.01%	7.31%	7.07%	6.98%
Rank	94/94	74/74	59/59	42/42	29/29
High ^[1]	3.24%	6.21%	7.60%	11.79%	16.66%
Low ^[1]	-6.22%	-6.22%	-6.22%	-6.22%	-6.22%
Cash	6.66%	7.10%	7.18%	6.81%	6.47%
Inflation	2.22%	3.75%	4.52%	4.85%	4.99%

Monthly performance (%)

	Jul'20	Jun'20	May'20	Apr'20	Mar'20	Feb'20	Jan'20	Dec'19	Nov'19	Oct'19	Sep'19	Aug'19
Fund	-1.15	-1.16	1.19	4.60	-8.47	0.43	-0.26	1.06	-1.53	-0.57	0.32	-0.36
BM	-1.19	-0.94	1.12	4.57	-7.25	0.53	-0.10	1.06	-1.49	-0.53	0.41	-0.25

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

Portfolio information

Benchmark Inflation Linked Bond Index (IGOV)
ASISA sector SA - Multi Asset - Income

Portfolio size R 916.73 million

Portfolio inception 1 March 2012

The Portfolio inception (above) is the launch date of this portfolio on the MCI Scheme. The assets of a previous version of this portfolio, registered under a different scheme, were amalgamated into the MCI portfolio at its inception. The performance track record of the previous version of the portfolio has been retained for performance reporting purposes. The Launch date (below) depicts the launch/performance start date of the relevant class of this portfolio.

Launch date 21 October 2002

Launch price 100.00 (cpu)

Latest price (31/07/2020) 144.12 (cpu)

JSE Alpha Code MILB

ISIN Number ZAE000042560

Minimum investment

Lump sum R 2,000 Monthly R 250

Portfolio managers

Conrad Wood
BCom (Economics), CFA

Portfolio charges and ratios

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

Financial year end TER (incl. VAT): 1.17%

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 2019.

Cost ratios (incl. VAT) as at 30 June 2020:

TER (%)	TC (%)	TIC (%)
1.18%	0.00%	1.18%

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)

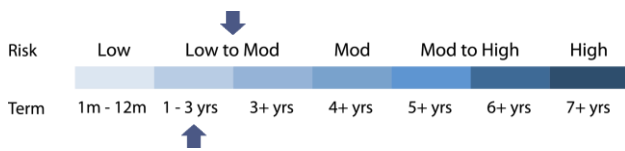
	Dividend	Interest	Total
Dec'18	0.000	1.792	1.792
Jun'19	0.000	1.645	1.645
Dec'19	0.000	1.709	1.709
Jun'20	0.000	1.806	1.806
Aug'19 - Jul'20	0.000	3.515	3.515

Distribution takes place Semi-annually : June, December

Portfolio statistics

Modified Duration 8.74

Risk/reward profile and 3 year statistics



Specific risks

Modified duration (Interest rate risk) of inflation linkers are high and investors can experience relatively significant short term capital volatility. Permanent capital loss for investors is possible if an issuer of one of the instruments held in the fund defaults.

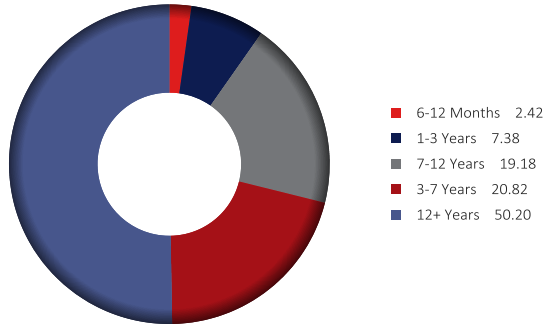
Standard deviation ¹⁾	8.03
Sharpe ratio ²⁾	-0.90
Information ratio ³⁾	-1.25
Largest negative monthly return	-8.47
Number of positive months	17 / 36

¹⁾Standard deviation – measures the volatility of fund returns ²⁾Sharpe ratio – fund return minus cash return (STeFI composite), divided by the Standard deviation (of fund returns)

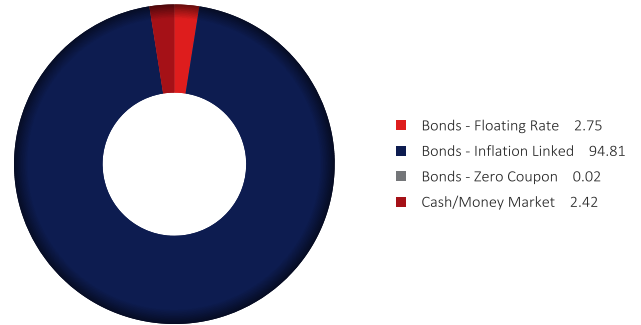
³⁾Information ratio – return per unit of risk against the benchmark

Holdings

Maturity spread (%)



Sector (%)



Portfolio objective/investment policy

The Momentum Inflation Linked Bond Fund is a specialist actively managed fixed interest portfolio which seeks to provide investors with an inflation beating total return. In order to achieve this objective, the investments to be held will consist mainly of inflation-linked bonds issued by government and corporates. The portfolio may also hold nominal government and corporate bonds, interest bearing securities, preference shares, non-equity securities, debenture stock, debenture bonds, convertible bonds, money market instruments, assets in liquid form and participatory interest or any other forms of participation in portfolios of collective investments or other similar schemes as the Act may allow from time to time and are consistent with the portfolio's investment objective. The manager may also include interest rate swap transactions and listed and unlisted financial instruments, for efficient portfolio management purposes, in accordance with the provisions of the Act and applicable legislation, as amended from time to time. 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 purpose of this portfolio, the manager shall reserve the right to close the portfolio to new investors. This will be done in order to be able to manage the portfolio in accordance with its mandate.

Portfolio limits and constraints

- Exposure to property related securities will be capped to 10% of the portfolio's net asset value.
- Manager restriction:
 - No foreign securities will be included in the portfolio.



0860 111 899



ci.clientservice@momentum.co.za



www.momentuminv.co.za

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

268 West Avenue, Centurion, 0157

PO Box 7400, Centurion, 0046

Facsimile: +27 (0)12 675 3889

Call centre: 0860 111 899

Email: ci.clientservice@momentum.co.za

Web: www.momentuminv.co.za

Registration no.: 1987/004287/07

Investment manager

ALUWANI Capital Partners (Pty) Ltd

EPPF Office Park, 24 Georgian Crescent East, Bryanston East, 2152

An authorised financial services provider, FSP No: 46196

Telephone: +27 (0)21 204 3800

Facsimile: 086 204 0112

Email: aluwani@aluwanicapital.co.za

Web: www.aluwanicapital.co.za

Registration no.: 2015/112266/07

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 Inflation Linked Bond Fund is a portfolio of the Momentum Collective Investments Scheme and ALUWANI Capital Partners (Pty) Ltd, registration number: 2015/112266/07, an authorised financial services provider ("FSP") under the Financial Advisory and Intermediary Services Act No. 37 of 2002 ("FAIS"), FSP number: 46196, is the investment manager of this portfolio.

Momentum Inflation Linked Bond Fund is a portfolio that derives its income primarily from interest-bearing instruments. The yield (where present) is current and calculated daily.

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 July 2017 to 30 June 2020. 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 July 2017 to 30 June 2020. 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 31/07/2020, 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. 15h00 and monthly (last business day of a month) at approx. 17h00. Latest prices can be viewed at 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 or on request from the Manager.

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