momentum

securities

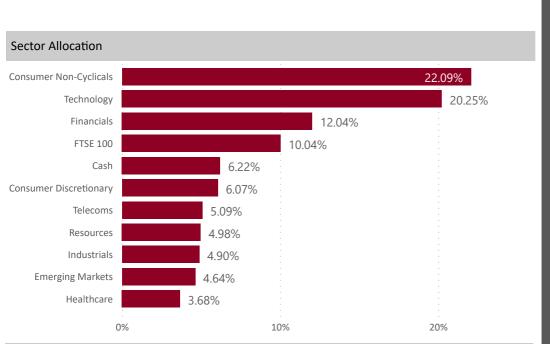
International Portfolio - Quarterly

Investment Objective

This is a high conviction international portfolio focused on maximising risk adjusted returns to the investors over the medium to long-term by investing in global listed equities. The returns of this portfolio are based on the ability of world equity markets indices to deliver returns in excess of inflation and the ability of the portfolio manager and our research team to identify and take positions in undervalued securities.

Investment Profile

- Investors who have a longer investment term and want the highest possible risk-adjusted return on their invested capital.
- Value-based investors with high risk tolerance.
- Investors who understand that there are investment cycles that cause share prices to fluctuate.



Top 10 Holdings		
iShares FTSE 100 ETF	ISF:xlon	10.04%
BATS	BATS:xlon	9.50%
Cash	CASH	6.22%
Broadcom	AVGO:xnas	5.36%
Amazon	AMZN:xnas	5.33%
Comcast	CMCSA:xnas	5.09%
Tencent	00700:xhkg	5.06%
Impala Platinum (ADR)	IMPUY:xnas	4.98%
Mastercard	MA:xnys	4.81%
iShares Edge MSCI EM value	EMVL:xlon	4.64%

Portfolio 3 Months 6 Months 12 Months YTD 2 Year 3 Year 4 Year 5 Year Internationa 2.6% -3.3% 6.0% 6.0% 9.1% 14.6% 9.5% 12.8%

Internationa 2.6% -3.3% 6.0% 6.0% 9.1% 14.6% 9.5% 12.8% 11.9% |
| Portfolio |
| MSCI World 7.7% 7.3% 20.3% 20.3% 17.2% 19.8% 11.4% 13.1% 12.6% |
| Index |

Returns for periods longer than 12 months have been annualised.

Performance

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December 2021

Risk profile



Investment information

Inception date
1 June 2016

Investment manager Momentum Securities

Stockbroker/custodian Momentum Securities

Management fee Max 1.25% (annual)

Minimum lump sum \$80 000

Redemption periods 3 business days

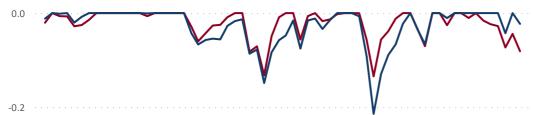
Benchmark
MSCI World Index (USD)

Disclaimer: Shares are generally medium- to long term investments. The value of shares may go down as well as up and past performance is not necessarily a guide to the future.

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Drawdown





2017	2018	2019	2020	2021

	Portfolio	Benchmark
Max Drawdown	-13.5%	-21.4%
Best Month	9.6%	12.7%
Worst Month	-8.2%	-13.5%
Gain/Loss Ratio	1.87	2.47



Glossary

Max Drawdown - Measures largest peak-to-trough decline before a new peak is achieved

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Economic Overview

US inflation has been more persistent than expected, which will most likely see the US Fed raise rates earlier than originally forecast. At the end of 2021 US dollar liquidity was tight but is expected to improve as money that has been sterilized at the Fed comes back into the banking system (a function of US Money Market funds' actions). In Q2 2022 we are likely to see two forces at play one being a headwind of higher Fed Funds Rate and the other a tailwind of improved US dollar liquidity. As this US dollar liquidity declines and rates rise in the second half of 2022, we are likely to see equity markets come under pressure. Chinese economic growth has weakened because of an over geared listed property sector which has been forced to reduced property investment. This has impacted demand for commodities and seen declines in their prices. We expect some stabilization in Chinese economic growth but expect growth to remain below trend.

Coal shortages are likely to keep energy (oil and gas) prices high for the duration of the Northern Hemisphere winter. The SA economic growth forecasts have been lowered on the back of lower global economic forecasts. Into 2022 we see a rebound in consumer spending and remain positive on Financials and Platinum Group Metals given their projected future deficits. Overall, we remain positive on SA equity on a valuation basis.

Market Overview

Global equity markets peaked in November before declining and then firming up in the latter part of December. In rand terms the Resource sector rebounded sharply, returning 22% for the quarter. Other returns for the quarter were Industrials +17%, Property +8% and Financials +2%. In the fourth quarter of 2021, the MSCI world index was up 14%. For the year Property returned 37%, Resources 32% Financials 27% and Industrials 24%; the rand depreciated by 9% against the US dollar and the MSCI world index was up 31%.

Over the last year the SA equity market (industrials) was impacted by the decline in Tencent (held by both Naspers and Prosus), while strong second half earnings growth saw the SA equity market outperform. Going forward we expect equity returns to be more subdued as earnings growth slows and rising interest rates become a headwind to equity valuations.

Portfolio Activity

During the fourth quarter we bought Tencent, Adidas, BATS, and Vertex. We sold out of KDDI Corp, Booking, JP Morgan and Novo Nordisk. The portfolio increased by 8.1% for the quarter with the last month of the quarter up 3.5%.

Positive contributions were attributable mainly to Broadcom, Impala Platinum, Vertex, Microsoft, and iShares FTSE 100 ETF. Losses were attributable to Citigroup, Comcast, Adidas, Alibaba Group, and Hello Fresh. For the past 12 months the portfolio has increased 6% with the benchmark, the MSCI World Index, up 20.3%.