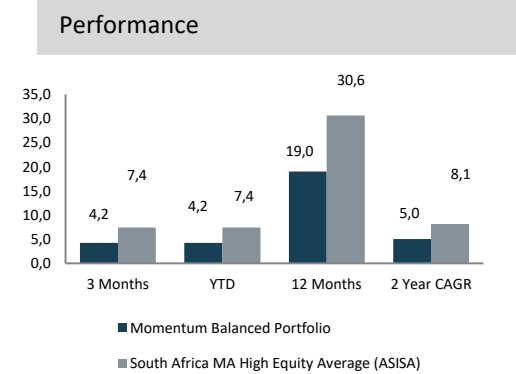
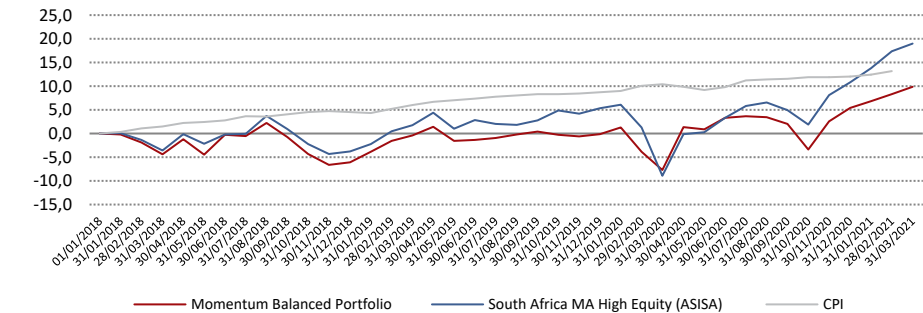


Balanced Portfolio - Quarterly

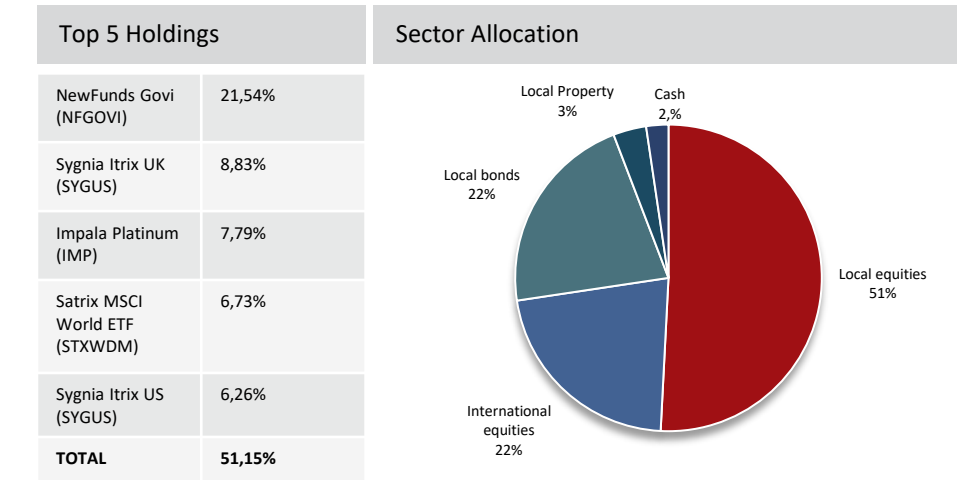
Investment Objective

This is a balanced investment portfolio focused on capital growth over a minimum investment period of five years. It has less risk when compared to a pure equity portfolio in that it offers diversification into multiple asset classes. The portfolio follows an actively managed multi-asset investment strategy that may incorporate passive investments such as exchange traded funds and index funds exposed to the main asset classes in the local and global markets. The portfolio aims to outperform the median managed South African MA high equity collective investment scheme's return on investment.



Top 5 Holdings

NewFunds Govi (NFGOVI)	21,54%
Sygnia Itrix UK (SYGUS)	8,83%
Impala Platinum (IMP)	7,79%
Satrix MSCI World ETF (STXWDM)	6,73%
Sygnia Itrix US (SYGUS)	6,26%
TOTAL	51,15%



March 2021

Risk Profile



Investment information

Inception date
1 January 2016

Investment manager
Momentum Securities

Stockbroker/custodian
Momentum Securities

Management fee
Bespoke Max 1.25% (annual)

Minimum lump sum
R 250 000

Redemption periods
3 business days

Benchmark
Capped SWIX Top 40 TR Index
Target CPI plus 4%

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. Opinions expressed in this document are those held as at the date appearing in this material only. Momentum Securities shall not be liable or responsible for any use of this document or to any other person or entity for any inaccuracy of information contained in this document or any errors or omissions in its content, regardless of the cause of such inaccuracy, error or omission. This document should not be seen as an offer to purchase any specific product and should not be construed as advice or guidance in any form whatsoever.

Economic Overview

Fiscal packages and low interest rates have continued to support global economies, which have rebounded strongly as these economies to various degrees have been unlocked. The unlocking process still has a lot further to run and is unlikely to be a smooth process. Easy financial conditions have continued to be a prop for equity markets; however, inflation concerns have risen on the back of cost base effects and improved demand. We are likely to see a pick-up in global consumer price inflation which we see as being transitory and related to the rebound in economies. Global economies still remain some way off their pre-pandemic levels of activity.

We expect the SA economy to lag the global recovery due to a slower vaccine rollout, although the pace of economic growth in SA is still expected to recover in 2021. The US fiscal expenditure package will be positive for both US and global economic growth as well as commodity prices, however, this expenditure is only likely to occur towards the end of the year.

Equity markets have continued to be pushed up to heady levels in the US and valuations are overextended. Stimulus packages and Central Bank actions may continue to support equity markets, but we feel that the US equity market is fully priced, and caution is now warranted.

Market Overview

While the riskier asset classes enjoyed an improving growth picture during the first quarter of 2021, global bond markets showed concern over potentially tighter monetary policy. As a result, global bond returns (-5,8% in dollars) were particularly poor in the quarter, falling short of the positive dollar returns provided by SA equities (+12,3%), developed market (DM) equities (+5%) for emerging market (EM) equities (+2,3%).

During the quarter, South Africa (SA) and Europe were the best-performing EM and DM equity markets respectively, outperforming by significant margins. SA equities also provided the highest returns among the local asset classes in the first quarter of this year (+13,1% in rand terms), far outpacing returns from Listed Property (+6,4%), Inflation-Linked Bonds (+4,6%), Cash (0,9%) and particularly Nominal Bonds (-1,7%).

Within SA Equity, SA Resources returned +18.7% over the first quarter of 2021, SA Industrials +13% and SA Financials +3.80%. SA Small Caps outperformed the overall SA Equity market over this period, returning 21.20%.

On the commodity front, we have seen the Copper price improve by +13.10%, while Iron Ore price was up marginally, +1.50%. We expect base metal prices to peak and normalise over the next 6 months. Platinum Group Metals (PGM) prices have moved up sharply: Platinum +10.8%, Palladium +7.3% and Rhodium +70%. Gold was down 10%.

Portfolio Activity

During the first quarter we bought Goldfields, Netcare, Emira and WBHO. We sold out of Discovery, Pick 'n Pay and our NEWUSD holding. The portfolio increased by 4,2% for the quarter with the last month of the quarter up 1,4%.

Positive contributions were attributable mainly to Impala Platinum, Naspers, SYGNIA UK and SYGNIA US. Losses were attributable to NFGOVI, Goldfields, AngloGold and Adcock Ingram. For the past 12 months the portfolio has increased 19% with the Asisa MA High Equity Median Manager benchmark up 30,6%.