



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.

March 2018

Risk profile



HIGH

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

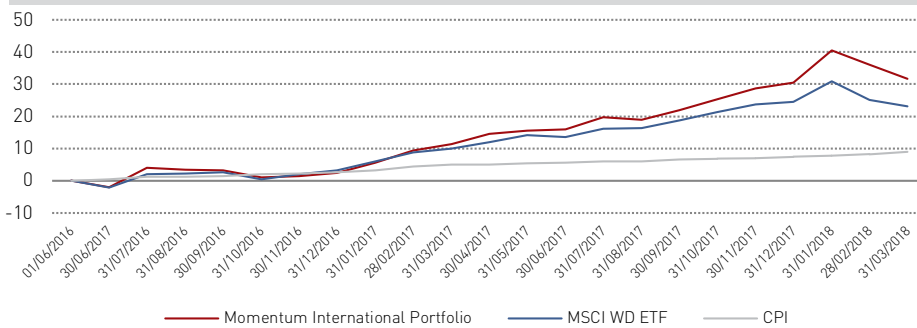
Benchmark

MSCI World ETF

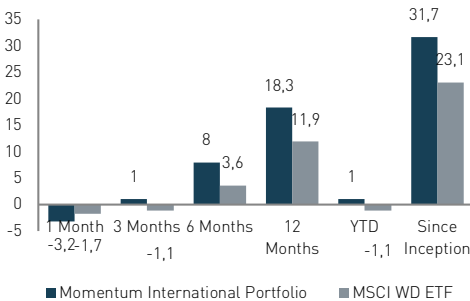
Disclaimer: Shares are generally medium- to long-term investments. The value of shares may go down as well as up and past performance is not necessarily a guide to the future.

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Cumulative Performance



Cumulative Performance



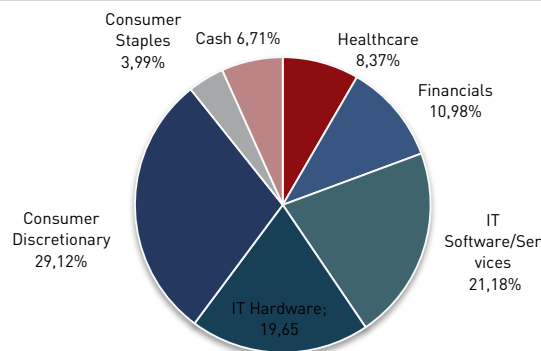
Cumulative Performance

	Portfolio	Benchmark
1 Month	-3,2%	-1,7%
3 Months	1,0%	-1,1%
6 Months	8,0%	3,6%
12 Months	18,3%	11,9%
YTD	1,0%	-1,1%
Since Inception	31,7%	23,1%

Top 5 Holdings

Microsoft (MSFT)	7,86%
Alphabet (GOOG)	5,27%
Home Depot (HD)	5,13%
Facebook (FB)	5,11%
Mastercard (MA)	5,07%
TOTAL	28,44%

Sector Allocation



Economic overview

Over the next year the global economy is forecast to continue to expand. Central banks have however begun reducing their liquidity to financial markets (lowering their bond purchases) and raising interest rates. These two factors will act as a headwind to global growth, which could see some downward revisions to global growth in the latter part of the year. In addition, trade tariff threats from the US have already dented global investor sentiment and have seen global equity markets weaken.

A tighter US labour market will see inflation rise in the US leading to the Fed raising interest rates more aggressively this year. Slowing economic growth in China is likely to have an impact on the demand for commodities and weakening commodity prices. In the latter part of the year, rising US

interest rates and weaker commodity prices are likely to put a cap on Emerging Market (EM) economic growth.

In South Africa (SA), the positive political outcome from the December ANC elective conference has seen the Rand firmer against the US dollar and upward revisions in SA economic growth forecasts. SA's sovereign credit rating was not downgraded in March, which was positive and helped to underpin global investor sentiment towards SA. This saw the local bond market firmer but SA equities suffered as global equity markets weakened on trade tariff threats from the US. Equity markets are likely to remain volatile until the trade tariff position is resolved.

Market Overview

Over the last 3 months, ended 31 March 2018, we saw the following performance in the in world markets. The S&P500 decreased 1.22%, the UK FTSE100 dropped 8.21%, the Euro Stoxx50 was down 4.07% and the Nikkei 225 decreased 5.76%.

Portfolio Activity

During the quarter we moved out of AIG and into Ping An, providing more emerging market exposure but still in the Multiline insurance space. We also removed Comcast from the portfolio as we adjust our portfolio more towards Consumer Staples and out of Consumer Discretionary.

The portfolio increased 1.0% for the quarter with the last month showing a decline of 3.2%, performance was solid considering the tough conditions. For the past 12 months the portfolio has increased 18.3% with the MSCI World ETF up 11.9%.