



# High Dividend Portfolio - Quarterly

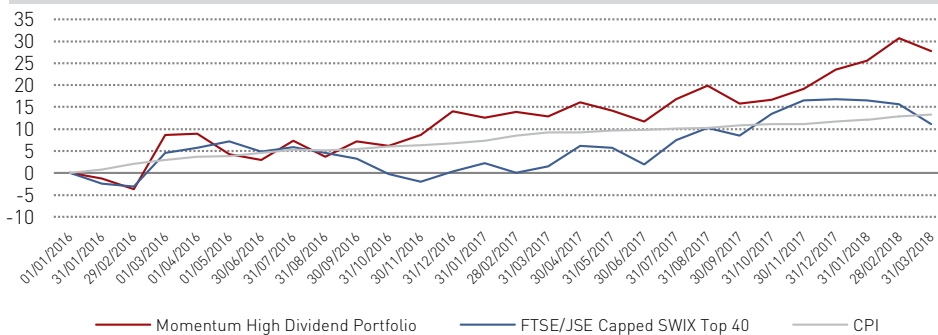
## Investment Objective

This is an income focused portfolio, investing in local, high value shares, paying higher and sustainable dividends. This portfolio is generally less volatile, and can provide some downside protection if markets start falling. It aims to provide the investor with an attractive tax-free dividend yield over the long-term, whilst striking a balance between capital growth and return on investment. Performance is measured against the FTSE/JSE Africa Dividend Plus Index.

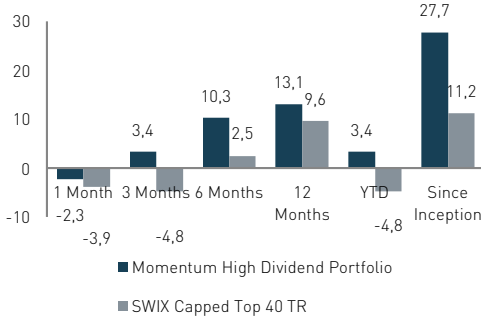
## Investment Profile

- Retired individuals or individuals close to retirement.
- Individuals requiring a certain level of investment return from their discretionary investment.
- Value-based investors who have a moderate to high risk tolerance, and understand that investment cycles cause asset prices to fluctuate.
- Main objective: To strike a balance between capital growth and return on investments.

### Cumulative Performance



### Cumulative Performance



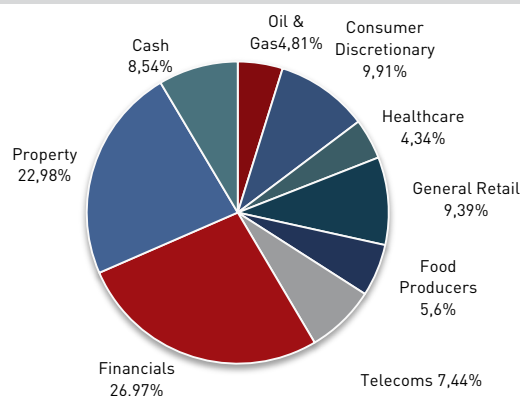
### Cumulative Performance

	Portfolio	Benchmark
1 Month	-2,3%	-3,9%
3 Months	3,4%	-4,8%
6 Months	10,3%	2,5%
12 Months	13,1%	9,6%
YTD	3,4%	-4,8%
Since Inception	27,7%	11,2%

### Top 5 Holdings

British American Tobacco (BTI)	9,91%
Vodacom (VOD)	7,74%
Growthpoint (GRT)	6,34%
Emira (EMI)	6,26%
Redefine (RDF)	6,24%
<b>TOTAL</b>	<b>36,49%</b>

### Sector Allocation



## March 2018

### Risk profile



### Investment information

#### Inception date

1 January 2016

#### Investment manager

Momentum Securities

#### Stockbroker/custodian

Momentum Securities

#### Management fee

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.

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## 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 SA financial markets: the Rand was 4.28% stronger than the US dollar, the All Share index's was 6.77% weaker. The Financial 15 index decreased by 1.79%, with Resource 10 down 4.37% and the Industrials 25 down 9.24%.

## Portfolio Activity

During the first quarter we added to our Investec Plc, Redefine and Emira. We removed MMI from the portfolio due to the change in dividend policy. We also introduced more property with Arrowhead Properties. Our cash exposure decreased over the period as we bought into weakness.

The portfolio increased 3.4% for the quarter with the last month showing a decline of 2.3%, this was assisted by a solid performance out of our banking, retail stocks and property stocks. For the past 12 months the portfolio has increased 13.1% with the All Share index up 6.57%.