



International Portfolio - Quarterly

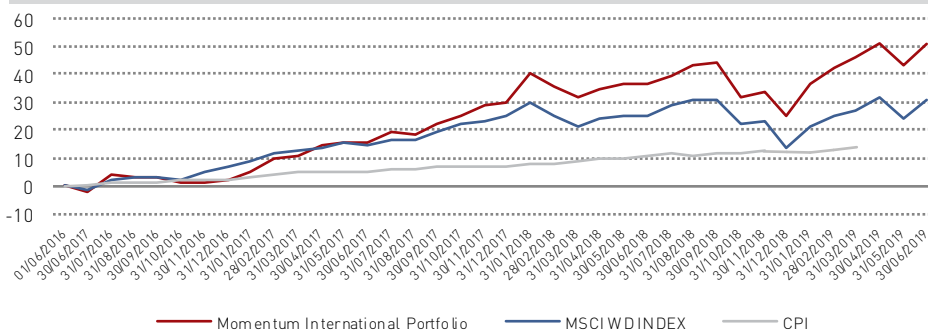
Investment Objective

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.

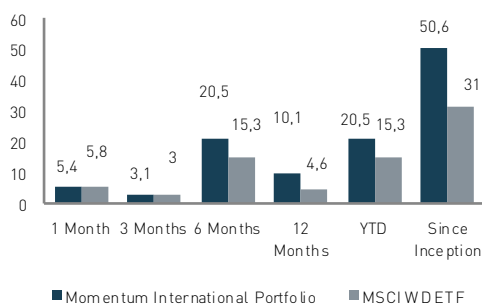
Investment Profile

- 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.

Cumulative Performance (USD)



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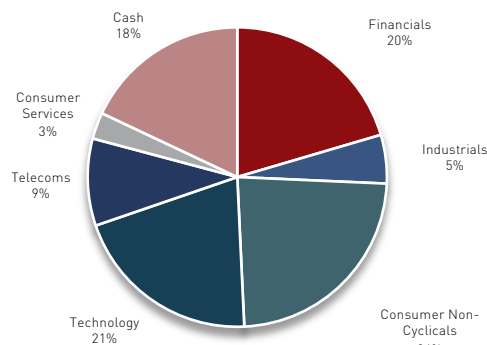
Cumulative Performance (USD)

	Portfolio	Benchmark
1 Month	5,4%	5,8%
3 Months	3,1%	3,0%
6 Months	20,5%	15,3%
12 Months	10,1%	4,6%
YTD	20,5%	15,3%
Since Inception	50,6%	31,0%

Top 5 Holdings

Microsoft (MSFT)	7,67%
Nestle (NESN)	5,92%
Amazon (AMZN)	5,66%
Comcast (CMCSA)	5,50%
Cisco (CSCO)	5,03%
TOTAL	29,78%

Sector Allocation



June 2019

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)

Portfolio Managers:

Francois Strydom, CFA

Alexander Sprules, CFA

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

The US FED reversed their December rising interest rate view in January 2019, and are now talking about a cut in the Fed Funds rate. US manufacturing is slowing and US economic growth is expected to follow suit. Global growth is also slowing, and is yet to feel the full impact of higher trade tariffs. There are also a number of macro and geopolitical headwinds that will also impact global economic growth. Yet the equity markets have risen sharply without waiting to see what the overall impact of these factors will be on the global economy and markets.

We are now in the late-cycle growth period in the US economy, and growth has shifted down a gear in both Europe and China. In addition, to the above, we see downward revisions to US company earnings in 2019, which may turn out to be negative this year.

Chinese economic growth is slowing and believed to be growing at below the official figures. With Eurozone growth

slowing and negative interest rates we see a stronger US dollar. Commodity prices are also expected to remain under some pressure as global growth slows and the US dollar strengthens. The oil price seems to be the exception, with geopolitical issues and oil supply cuts from OPEC underpinning the USD oil price.

We expect the South Africa rand to consolidate and range trade this year. SA economic growth remains under pressure, in line with the South African consumer who has seen disposable income deteriorating over the last year.

Post the May SA election we have seen a marginal improvement in investor sentiment towards South Africa, with stocks only rallying in line with global stocks on the US Fed's decision to move to cutting US interest rates.

Market Overview

Over the last quarter, ended 30 June 2019, we saw the following performance in the SA financial markets: the rand strengthened 2,8% relative to the US dollar, the Top 40 index's total return was up 3,8% and the All Bond index returned 1,5%.

Over the last quarter we saw the following performances out of world markets, the S&P 500 posted 3,8%, the Nasdaq 3,6%, the Euro Stoxx 50 3,6%, MSCI Japan -1,8% and Emerging Markets posted a loss of -0,3%.

Portfolio Activity

During the second quarter we made no changes to the portfolio. The portfolio increased by 3,1% for the quarter with the last month of the quarter posting a 5,4% gain.

Positive contributions were attributable to Microsoft, Mastercard, T-Mobile and Visa. For the past 12 months the portfolio has increased 10,1% with the MSCI World index posting a 4,6% gain.