



International Portfolio - Quarterly

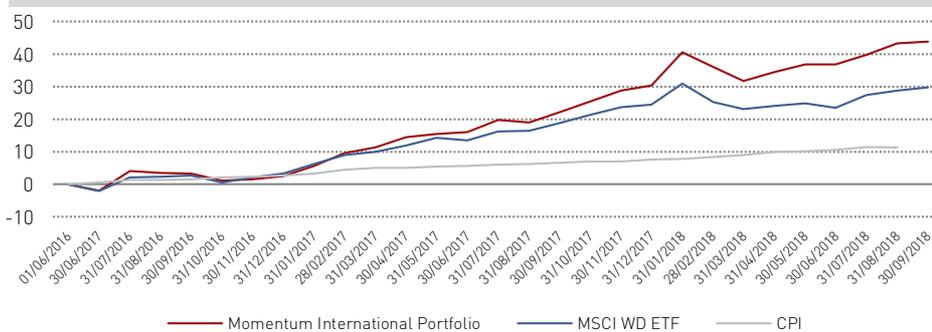
Investment Objective

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



Cumulative Performance



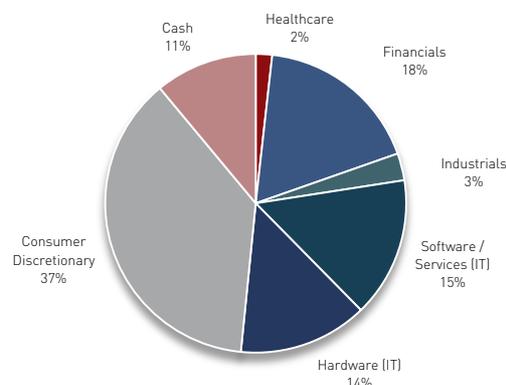
Cumulative Performance

	Portfolio	Benchmark
1 Month	0,4%	0,7%
3 Months	5,1%	5,0%
6 Months	9,2%	5,4%
12 Months	17,8%	9,2%
YTD	10,3%	4,2%
Since Inception	43,8%	29,7%

Top 5 Holdings

Microsoft (MSFT)	6,86%
Amazon (AMZN)	6,27%
Alphabet (GOOGL)	5,62%
Home Depot (HD)	5,46%
Nestle (NESN-SWX)	5,01%
TOTAL	29,22%

Sector Allocation



September 2018

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 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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Economic overview

Tax cuts and improved consumer dynamics have supported the US economy, which is now in the later part of its expansion. Rising US wage and producer price inflation will see further US interest rate hikes and result in slower economic growth. Higher US interest rates and slower earnings growth will act as headwinds to US financial markets returns. In addition to, rising US interest rates contracting money supply (less buying support from Central Banks) will have a negative impact on financial markets.

So far this year, rising interest rates, a strong US dollar, global political uncertainty and trade wars have negatively impacted investor sentiment. This has seen a sharp decline in emerging markets and in any assets that are deemed by investors as risky. Going forward, the conditions outlined

above are likely to persist and will result in slower global growth. These factors will continue to have a negative impact on investor confidence, and will be headwinds to global financial markets' performance.

In South Africa the positive sentiment following the outcome from the ANC December elective conference has worn off resulting in our local markets selling off, impacted by both local and global factors. Going forward SA economic growth is likely to be sluggish and only start to improve next year.

USD commodity prices, with the exception of the USD oil price, have been flat to weaker this year.

Market Overview

Over the last 12 months, ended 30 September 2018, we saw the following performance in international markets The S&P 500 was up 15.7%, the Euro Stoxx 50 down 5.4%, the UK FTSE up around 1.63%, the Japanese Nikkei up 18.49% and the MSCI Emerging market 50 down 1.69%.

On the local front the SA equity market has pulled back 7%,

post the end of the third quarter, some value is starting to selectively emerge in the SA equity market.

Portfolio Activity

During the quarter we moved out of Disney, Medtronic, Nike, Anheuser Busch and SAP, whilst adding BTI, Raytheon, Comcast and Nestle to the portfolio. We reduced our overweight position in Mastercard post its recent run.

The portfolio increased 5.1% for the quarter with the last month showing a flat performance, performance was solid

with our benchmark up 5.0% for the period. For the past 12 months the portfolio has increased 17.8% with the MSCI World ETF up 9.2%.