

International Sharia Equity Note (UMMIES)

- Quarterly

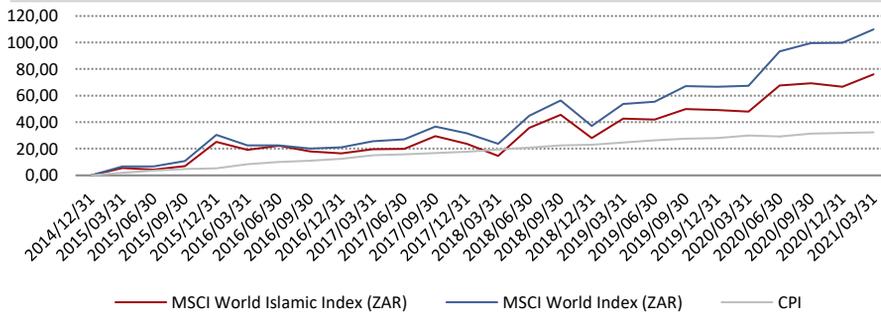
Investment Objective

The exchange traded note (ETN) invests in Momentum Securities' International Sharia Aligned Equity Portfolio. This portfolio has a global focus determined to maximise risk adjusted returns to investors over the medium to long-term by investing in concentrated listed equity positions. The returns of this portfolio are reliant on the ability of our portfolio management team to identify and take positions in both undervalued and growth orientated shares in a consistent manner that will in time deliver returns in excess of the portfolio benchmark.

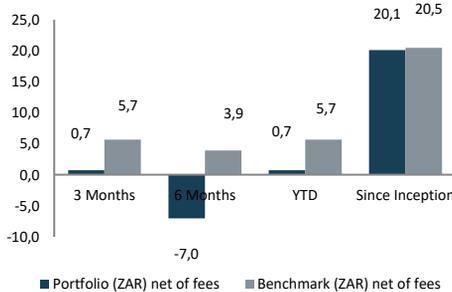
Investment Profile

- Investors with local JSE trading accounts looking for easy to access global equity exposure.
- Investors with ZAR portfolios that want access to the Momentum Securities investment capabilities directly from their existing stockbroking account.
- Investors looking to allocate a portion of their portfolio to an actively managed Sharia aligned global equity allocation in ZAR.

Cumulative Performance (ZAR)



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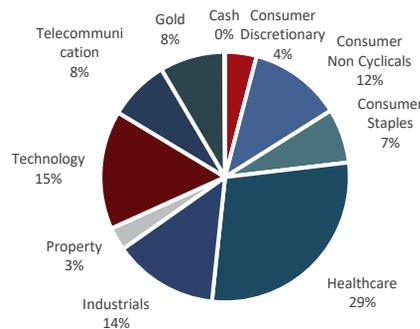
Cumulative Performance (ZAR)

| | Portfolio | Benchmark |
|-----------------|-----------|-----------|
| 3 Months | 0,7% | 5,7% |
| 6 Months | -7,0% | 3,9% |
| YTD | 0,7% | 5,7% |
| Since Inception | 20,1% | 20,5% |

Top 5 Share Holdings

| | |
|-----------------------------|---------------|
| SPDR Gold (GLD) | 8,42% |
| Merck & Co (MRK) | 5,25% |
| Jacobs Electronic Group (J) | 4,57% |
| Ingersoll Rand Inc (IR) | 4,55% |
| Medtronic (MDT) | 4,49% |
| TOTAL | 27,28% |

Sector Allocation



* The Momentum Securities International Equity ETN references the portfolio holdings of the Momentum International Sharia aligned Equity Portfolio that was launched in October 2019. Official ETN listing date 2 October 2019. No shares outside of the MSCI World Islamic Index may be included in the portfolio. Momentum Securities will not be conducting dividend purification.

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Momentum Securities is an authorized financial services and registered credit provider and a subsidiary of Momentum Metropolitan Holdings Ltd. Reg no 1974/000041/07.

Momentum Securities is a member of the JSE Ltd. (FSP29547) (NCRCP2518)

March 2021

Risk profile



Investment information

Inception date
2 October 2019

Investment manager
Momentum Securities

Stockbroker/custodian
Your selected stockbroker

Management fee
Momentum Securities 0.75% (annual)
UBS ETN Issuance & Administration
0.50% (annual)
Total Fee 1.25% VAT inclusive (annual)

Minimum lump sum
R 5 000

Redemption periods
3 business days

Benchmark
MSCI World Islamic Index (ZAR)

Issuer Details
UBS AG
Credit rating by S&P A+
Moody's AA3

Portfolio Managers:

Evan Giannakis
Francois Strydom, 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. 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 Jacobs Engineering and Samsung Electronics, and we sold out of Bristol-Myers Squibb, Novo Nordisk, Pfizer and Proctor and Gamble.

The portfolio increased by 0,7% for the quarter with the last month of the quarter flat. For the past 12 months the portfolio has increased 5,4% with the MSCI World Islamic Index (in rands) up 19%.