



## FUND INFORMATION

### RISK PROFILE



### RECOMMENDED MINIMUM INVESTMENT TERM



### FUND OBJECTIVE

The fund aims to achieve steady growth of capital and a higher return than the average general equity fund. It is managed using a proprietary quantitative investment process.

### WHO IS THIS FUND FOR?

This fund is suited to investors with a long-term investment horizon seeking to maximise growth and who are able to accept the risks associated with equity funds.

### INVESTMENT MANDATE

The fund invests in equities listed on the JSE Securities Exchange (JSE). Derivatives may be used for efficient portfolio management purposes.

### REGULATION 28 COMPLIANCE

The fund aims to achieve long-term inflation-beating growth, and therefore may hold a higher allocation to equities than what is allowed in terms of Regulation 28 of the Pension Funds Act. This fund is therefore not Regulation 28 compliant.

<b>BENCHMARK:</b>	FTSE/JSE Capped Shareholder Weighted Index (Capped SWIX)
<b>ASISA CATEGORY:</b>	South African – Equity – General
<b>FUND MANAGER(S):</b>	Grant Watson & Warren McLeod (Old Mutual Customised Solutions (Pty) Ltd)
<b>LAUNCH DATE:</b>	23/12/1998
<b>SIZE OF FUND:</b>	R1.3bn

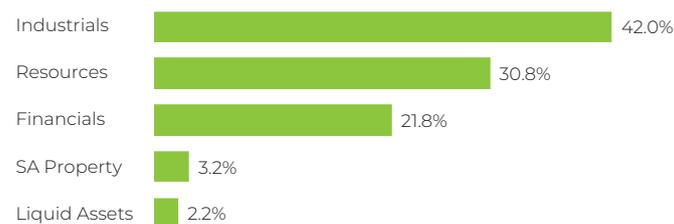
### DISTRIBUTIONS: (Half-yearly)\*

Date	Dividend	Interest	Total	Total %
30/06/2020	184.04c	10.73c	194.77c	2.60%
31/12/2019	100.75c	11.28c	112.03c	1.33%

\* Class A fund distributions

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION



## FUND PERFORMANCE AS AT 30/06/2020

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception <sup>1</sup>
Fund (Class A)	-10.8%	-3.8%	-1.7%	4.1%	8.6%	12.3%
Fund (Class B1) <sup>2</sup>	-10.4%	-3.4%	-1.6%	-	-	-
Benchmark <sup>3</sup>	-10.8%	-0.8%	0.4%	5.8%	9.7%	14.2%

<sup>1</sup> Performance since inception of the fund.

<sup>2</sup> Inception: 31 January 2015. Class B1 fund is available through investment platforms such as Old Mutual Wealth.

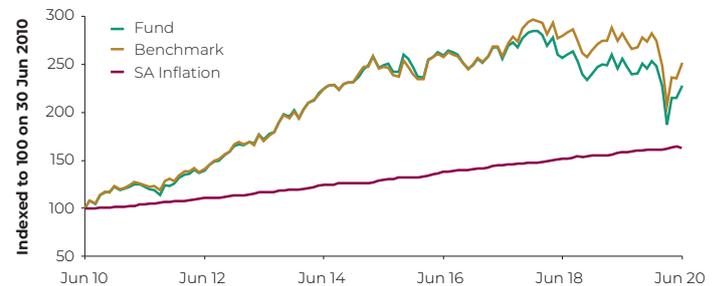
<sup>3</sup> Benchmark:

SA - Equity - General sector from inception of fund to 30 June 2009. SWIX Index from 1 July 2009 to 30 June 2017. Capped SWIX Index from 1 July 2017 to date.

Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Fund returns are net of fees and measured against the benchmark.

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	64.5%	13.7%	-31.5%

### Cumulative Performance: 10 Years to 30 June 2020



Past performance is no indication of future performance.

<sup>3</sup> Benchmark: SWIX Index from 1 July 2009 to 30 June 2017. Capped SWIX Index from 1 July 2017 to date.

### Risk Statistics (Since Inception)

Maximum Drawdown	-36.3%
Months to Recover	20
% Positive Months	61.6%
Annual Standard Deviation	15.1%

Risk statistics are calculated based on monthly performance data from inception of the fund.

### 5-Year Annualised Rolling Returns (Fund vs Benchmark)



## PRINCIPAL HOLDINGS

HOLDING	% OF FUND
Naspers Ltd	11.2%
Anglo American Plc	5.3%
Prosus NV	4.8%
British American Tobacco	4.6%
FirstRand Ltd	3.5%
AngloGold Ashanti Ltd	3.3%
Standard Bank Group Ltd	2.9%
BHP Group Plc	2.9%
Sanlam Ltd	2.7%
Gold Fields Ltd	2.5%



## FUND MANAGER INFORMATION



### GRANT WATSON |

PORTFOLIO MANAGER

- BCom, MCom, MBA, CMMD, SAIS
- 23 years of investment experience



### WARREN MCLEOD |

PORTFOLIO MANAGER

- BBusSc (Hons), BCom (Hons), MBusSc
- 20 years of investment experience

## FUND COMMENTARY

The global concern around the rapid spread of Covid-19 saw many countries struggle to contain the fatal effects of the virus, along with the associated economic impacts. South Africa's first quarter GDP (gross domestic product) has been published. The decline was 2%, which was better than expected. Load shedding, especially in the mining and manufacturing industries, hurt GDP growth. A further negative was the collapse of the gross fixed capital

formation. A positive was an agriculture rebound. Much of the impact of Covid-19 on the economy will come out in the second quarter economic measures. The lockdown will have a huge negative impact on Q2 data. The numbers should recover but will still be negative in the third quarter. Amongst the economists there is still a wide range in the quarter two forecasts. We are expecting a growth decline in the region of 7.6%, despite the better than expected first quarter outcome. The first quarter's results should not influence the monetary policy as much as the second quarter's results are expected to. A recovery from the third quarter onwards is still expected.

Across the globe, there has been a phenomenal difference in performance between the first quarter and the second quarter. The FTSE/JSE Capped Shareholder Weighted Index (Capped SWIX) ended the second quarter sharply up 21.6%, in contrast to the previous quarter, for which it was sharply down 26.6%. The sector returns have ranged from 41.3% for basic materials to 5% for consumers. This indicates that the market has been

extremely volatile over the past quarter. The sector returns indicate that portfolios had good opportunity for good performance. Comparing the returns of the portfolios to one another, with the large spread in sector returns, there was opportunity for good relative but similarly poor relative performance. Looking at style indices Growth outperformed Value.

We continue to focus on constructing a portfolio enabled to outperform the Capped SWIX from the varying market themes. We strongly believe that it is the themes or factors that separate shares that outperform the Capped SWIX from shares that underperform this index. It is through this investment belief and rigorous risk management that we are capable of achieving long-term capital growth. Prevalent sector tilts remain. The resources sector is preferred whereas property is unattractive. Medium-term momentum or sentiment and company profitability are attractive and our portfolio is positioned accordingly.

Source: Old Mutual Investment Group as at 30/06/2020

## OTHER INVESTMENT CONSIDERATIONS

### MINIMUM INVESTMENTS:

- Monthly: R500 • Lump sum: R10 000 • Ad hoc: R500

### INITIAL CHARGES (Incl. VAT)\*:

There is no initial administration charge for investment transactions of R500 and above. Initial adviser fee will be between 0% and 3.45%. Investment transactions below the R500 fund minimum incur a 2.30% administration charge.

\* Please note: Initial charges do not apply to the Class B funds.

## ONGOING

	Class A	Class B1*
Annual service fees (excl. VAT)	1.35%	1.00%

\* Please note: The Class B1 fund is available through investment platforms such as Old Mutual Wealth.

The fee is accrued daily and paid to the management company on a monthly basis. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

TAX REFERENCE NUMBER: 9218/095/18/1

ISIN CODES:	Class A	ZAE000135786
	Class B1	ZAE000199139

Total Expenses (Incl. Annual Service Fee) (30/06/2020)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	1.58%	1.18%	1.58%	1.17%
Transaction Cost (TC)	0.29%	0.29%	0.15%	0.15%
Total Investment Charge	1.87%	1.47%	1.73%	1.32%

\* Please note: The Class B1 fund is available through investment platforms such as Old Mutual Wealth.

TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

Funds are also available via Old Mutual Wealth and MAX Investments.

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We aim to treat our clients fairly by giving you the information you need in as simple a way as possible, to enable you to make informed decisions about your investments.

- We believe in the value of sound advice and so recommend that you consult a financial planner before buying or selling unit trusts. You may, however, buy and sell without the help of a financial planner. If you do use a planner, we remind you that they are entitled to certain negotiable planner fees or commissions.
- You should ideally see unit trusts as a medium- to long-term investment. The fluctuations of particular investment strategies affect how a fund performs. Your fund value may go up or down. Therefore, we cannot guarantee the investment capital or return of your investment. How a fund has performed in the past does not necessarily indicate how it will perform in the future.
- The fund fees and costs that we charge for managing your investment are disclosed in this Minimum Disclosure Document (MDD) and in the table of fees and charges, both of which are available on our public website or from our contact centre.
- Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained, free of charge, from Old Mutual Unit Trust Managers (RF) (Pty) Ltd, from our public website at [www.oldmutualinvest.com](http://www.oldmutualinvest.com) or our contact centre on 0860 234 234.
- Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except the Money Market Funds, the price of which is set at 13:00. These are also the times we value our funds to determine the daily ruling price (other than at month-end when we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close). Daily prices are available on the public website and in the media.
- Unit trusts are traded at ruling prices, may borrow to fund client disinvestments and may engage in scrip lending. The daily ruling price is based on the current market value of the fund's assets plus income minus expenses (NAV of the portfolio) divided by the number of units on issue.
- The Net Asset Value to Net Asset Value figures are used for the performance calculations. The performance quoted is for a lump sum investment. The performance calculation includes income distributions prior to the deduction of taxes and distributions are reinvested on the ex-dividend date. Performances may differ as a result of actual initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Annualised returns are the weighted average compound growth rates over the performance period measured. Performances are in ZAR and as at 30 June 2020. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

Old Mutual Customised Solutions (Pty) Ltd is a Licensed Financial Services Provider.

Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

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Issued: July 2020