



FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund strives for long-term capital growth as well as some level of capital protection. Through the use of a quantitative risk model, the fund aims to profit from a rising share market and protect against capital losses in a weak market.

WHO IS THIS FUND FOR?

This fund is suited to investors who strive for long-term capital growth as well as some level of capital protection.

INVESTMENT MANDATE

The fund invests across shares, bonds and cash and may gain exposure to foreign assets up to a maximum of 30% of its portfolio (with an additional 10% for African ex-SA investments) – moving from shares into fixed interest investments when the fund's value drops below a predetermined "floor". When markets start to move up, the fund increases its holdings in shares, tapping into these growth opportunities. Derivatives may also be tactically used to manage and limit downside risk and to capture or lock in gains as and when they occur.

REGULATION 28 COMPLIANCE

The fund complies with retirement fund legislation. It is therefore suitable as a stand-alone fund in retirement products where Regulation 28 compliance is specifically required.

BENCHMARK:	CPI
PERFORMANCE TARGET:	CPI + 3% to 4% p.a. (net of fees)
	Performance is targeted over the recommended minimum investment term and is not guaranteed.
RISK OBJECTIVE:	The fund aims to protect at least 90% of the net investment over a 12-month period.
ASISA CATEGORY:	South African – Multi-Asset – Medium Equity
FUND MANAGER(S):	Hanno Niehaus & Ziyaad Parker (Old Mutual Customised Solutions (Pty) Ltd)
LAUNCH DATE:	01/11/2002
SIZE OF FUND:	R2.5bn

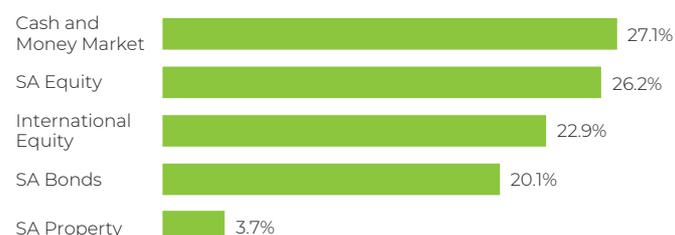
DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
31/12/2019	2.31c	6.63c	8.94c	1.91%
30/06/2019	2.07c	6.53c	8.60c	1.84%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



FUND PERFORMANCE as at 31/12/2019

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	7.0%	4.3%	4.6%	6.3%	7.2%	9.1%
Fund (Class B1) ²	7.4%	4.8%	5.0%	6.7%	7.6%	9.5%
Benchmark*	3.6%	4.5%	4.9%	5.1%	5.1%	5.5%

* The CPI figures are lagged by one month as it is calculated before this month's inflation rate was released.

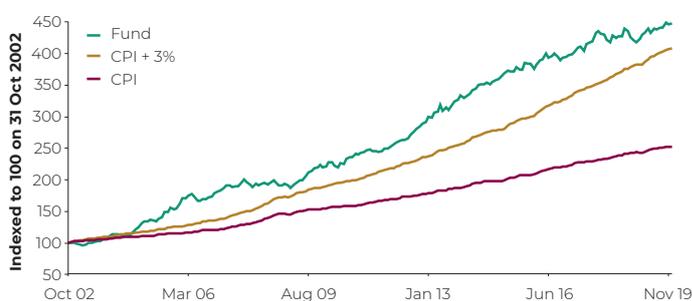
¹ Performance since inception of the fund.

² Class B1 fund is only available through investment platforms such as Old Mutual Wealth.

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)	32.4%	9.8%	-4.9%

Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-6.6%
Months to Recover	7
% Positive Months	67.5%
Annual Standard Deviation	5.9%

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

Fund Floors Since Inception to 31 December 2019



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
R186 10.5% 21/12/2026	5.1%
R2032 8.25% 31/03/2032	4.5%
R2035 8.875% 28/02/2035	3.8%
R2037 8.50% 31/01/2037	2.2%
Naspers Ltd	2.0%
IDC 8.34% 22/10/2020	1.9%
I2033 LLB 1.875% 28/02/2033	1.6%
R2048 8.75% 28/02/2048	1.0%
I2029 LLB 1.875% 31/03/2029	0.9%
NEDJBL96 FRN 12/01/2021	0.9%



FUND MANAGER INFORMATION



HANNO NIEHAUS |
PORTFOLIO MANAGER
· BEcon (Hons), CFA
Charterholder



ZIYAAD PARKER |
PORTFOLIO MANAGER
· BBusSc Finance (Hons),
CFA, CAIA

paving the way for the Brexit date currently set at 31 January 2020. Concerns around a slowdown in global economic growth do, however, persist and it remains to be seen for how long central banks can continue with monetary policy easing.

The MSCI World Index (developed market proxy) was up strongly, returning 8.6% over the quarter in US dollar terms, with the S&P 500 Index up 9.1% despite ongoing concerns about elevated US stock valuations.

Locally, a disappointing Medium-Term Budget Policy Statement (MTBPS) delivered in October prompted a sharp negative reaction in bond markets. While a timeline was laid out for the restructuring of Eskom into three separate units, there was no firm detail on debt restructuring or cost reduction. This culminated in both Moody's and S&P placing South African sovereign ratings on a negative outlook during the course of November. Despite the poor growth outlook and inflation numbers that keep surprising on the downside, the South African Reserve Bank (SARB) opted to keep rates on hold, which will no doubt maintain pressure on severely indebted local consumers.

Despite the gloomy local backdrop, the FTSE/JSE All Share Index reversed the losses of the

previous quarter, advancing 4.6% in Q4, with the MSCI Emerging Markets Index returning 11.8% in US dollar terms. The rand advanced 7.5% over the quarter relative to the US dollar, ending the quarter at R14 per dollar.

At a portfolio level, our effective equity exposure fluctuated between 49.3% and 58.9%, closing out the quarter around 56%. While we are currently tilted in favour of offshore equities over domestic equities due to the aforementioned domestic growth and fiscal concerns, we are wary that local assets are currently trading at depressed valuation levels, and will therefore look to take advantage of this as and when buying opportunities arise.

Given the well-diversified nature of the Dynamic Floor Fund and its moderate exposure to growth assets, the fund will continue to deliver returns in a risk-controlled framework with reduced volatility. The portfolio is still well positioned to meaningfully participate in any further equity market rallies. We do, however, remain cautious and are well placed to protect capital should markets retrace. This approach has served the portfolio well as it continues to provide the optimal blend of exposure to growth assets and capital protection.

Source: Old Mutual Investment Group as at 31/12/2019

FUND COMMENTARY

Q4 2019 saw some optimism return to global asset markets, as a US-China trade agreement to partially roll back tariffs, increase agricultural purchases, and ensure intellectual property protection, was reportedly reached. The quarter kicked off with the US Federal Reserve cutting rates by 25 basis points for the third consecutive time, although it hinted at a pause in further policy easing. In the UK, the Conservative Party's majority election win has provided some political stability,

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 only 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: 9131/529/15/9

ISIN CODES:	Class A	ZAE000043253
	Class B1	ZAE000043337

Total Expenses (Incl. Annual Service Fee) (31/12/2019)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	1.58%	1.18%	1.58%	1.18%
Transaction Cost (TC)	0.06%	0.06%	0.04%	0.04%
Total Investment Charge	1.64%	1.24%	1.62%	1.22%

* Please note: The Class B1 fund is only 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 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.
- This fund holds assets in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information.
- 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 31 December 2019. 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.

Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

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