



Old Mutual GEM Fund is now available

Accessing the growth potential of emerging markets

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Old Mutual Unit Trusts has launched an exciting new fund: The Old Mutual Global Emerging Markets (GEM) Fund taps into the wealth-generating opportunities of emerging markets and is now available for investment.

Over the past 10 years there has been a strong shift underway, with global emerging markets, led by China, in the process of taking over the global growth leadership position from the developed markets. Fund manager Anwaar Wagner believes that this shift will gain strength for many years to come. "This is due to the favourable fiscal health and demographic profiles supporting the process of urbanisation, infrastructure improvement, job creation, wealth creation and consumer spending within GEM," he says.

This fund invests in shares of companies listed on emerging market stock exchanges. It may also invest in those companies listed on developed market exchanges that generate more than 50% of their assets, revenue or profits from emerging markets. Old Mutual Global Emerging Markets Fund would suit investors who want selective access to the growth potential of emerging markets. These investors should be able to tolerate stock-market and currency volatility.

"While there are specific risks associated with investing in emerging markets," cautions Anwaar, "these political and governance issues are improving all the time and we believe that there is greater risk to a client's portfolio in not having exposure to the higher-return potential available in emerging markets."

More about the fund manager

Anwaar Wagner, previously manager of the award-winning Old Mutual Mining & Resources Fund, joined the ELECTUS boutique in January this year and has dedicated the last eight months to researching emerging-market companies. In managing this fund he looks for superior quality companies at prices that are below their long-term investment value. Being based in South Africa, he is already operating in an emerging market and should be better positioned, skilled and culturally attuned to understanding emerging market investing compared to fund managers in developed markets.

More about ELECTUS (Boutique heads, Richard Hasson and Neil Brown)

ELECTUS is a specialist investment boutique within Old Mutual Investment Group SA (OMIGSA). They offer their clients access to the investment skills of three senior, award-winning fund managers with over 43 years of combined investing experience and a track record of offering excess returns. They focus on constructing concentrated, but well-diversified portfolios. They are absolutely committed to delivering on performance and are known for their proven stock-picking ability.

More about the fund

Benchmark: MSCI Emerging Markets (NR) Index

Risk Rating: 5 (out of Old Mutual's risk rating scale of 5).

Minimum investment amounts: R500 a month or R10 000 once-off when investing directly via Old Mutual Unit Trusts.

Contact your Investment Specialist or OMIGSA Sales Executive for more information on this exciting new investment opportunity. You can also view the fund fact sheet at www.omut.co.za. This fund will also be available via Fairbairn Capital and Max Investments.

Unit trusts are generally medium- to long-term investments. Past performance is no indication of future performance. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The fund's TER reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A schedule of fees, charges and maximum adviser fees is available from Old Mutual Unit Trust Managers Ltd (OMUT). You may sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis and 17h00 at month-end for Old Mutual RAPI® 40 Tracker Fund, Old Mutual Top 40 Fund and SYm|metry Equity Fund of Funds). The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the fund. Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. A fund of funds unit trust invests only in other collective investment schemes, which may levy their own charges. Certain funds may be capped to be managed in accordance with their mandates. Different classes of units apply to these portfolios and are subject to different fees and charges. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).