



Investment Insights

Facing the Giant, Retirement

Wynand Gouws



- **Economy and markets**
 - Sustainable global recovery
 - Moderately higher inflation and interest rates coming
- **Asset allocation**
 - Lower returns going forward
 - Cash remains “trash” / unattractive into the future
 - Equities fairly priced, stock pickers market
 - Overweight offshore
- **Investment Strategies for a low growth world**
 - Taking appropriate risk
 - BUT clients can’t stomach “volatility”
 - Use TIME as your friend



PUBLIC ENEMY NO 1 LOW GLOBAL GROWTH



Retirement Planning, a DIFFERENT MINDSET

ENGLISH EDITION
23 JUNE 2011

SHARES

Three must-have small caps p28

TELKOM

Could've been a contender p31

BRAIT

Sabvest chief piles right in p33

FOOD PRICES

Wholesome trends abound p38

SATRIX DIVI

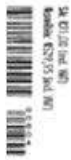
Why you can't beat it p40



Delivered at
fin24

TAKE MORE RISK FOR RETIREMENT

Vic de Klerk takes a swipe at
conventional thinking



The
Economist

APRIL 9TH - 15TH 2011 Economist.com

Portugal bows to the inevitable
Islamism on Russia's fraying edge
Praising Congressman Ryan
Gendercide in India
Britain's greatest trucker

70 or bust!

Why the retirement age must go up

A SPECIAL REPORT
ON PENSIONS

ISSN 0950-0804

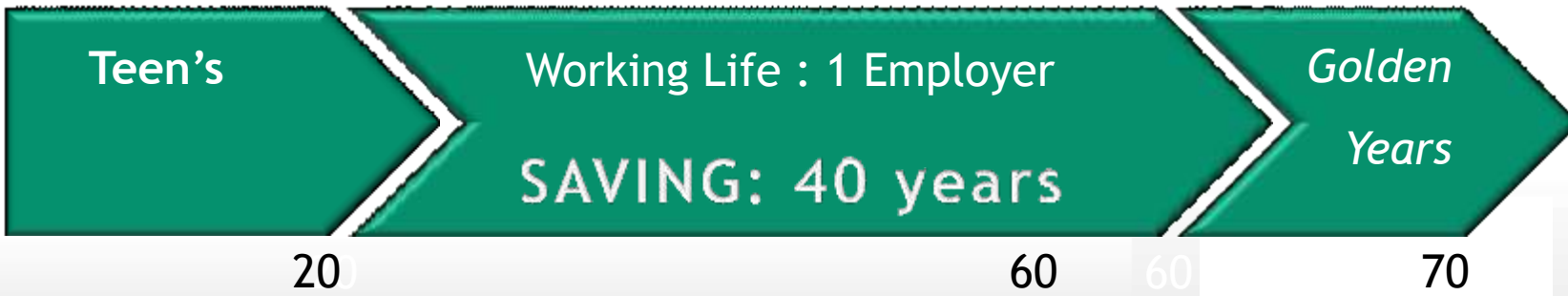
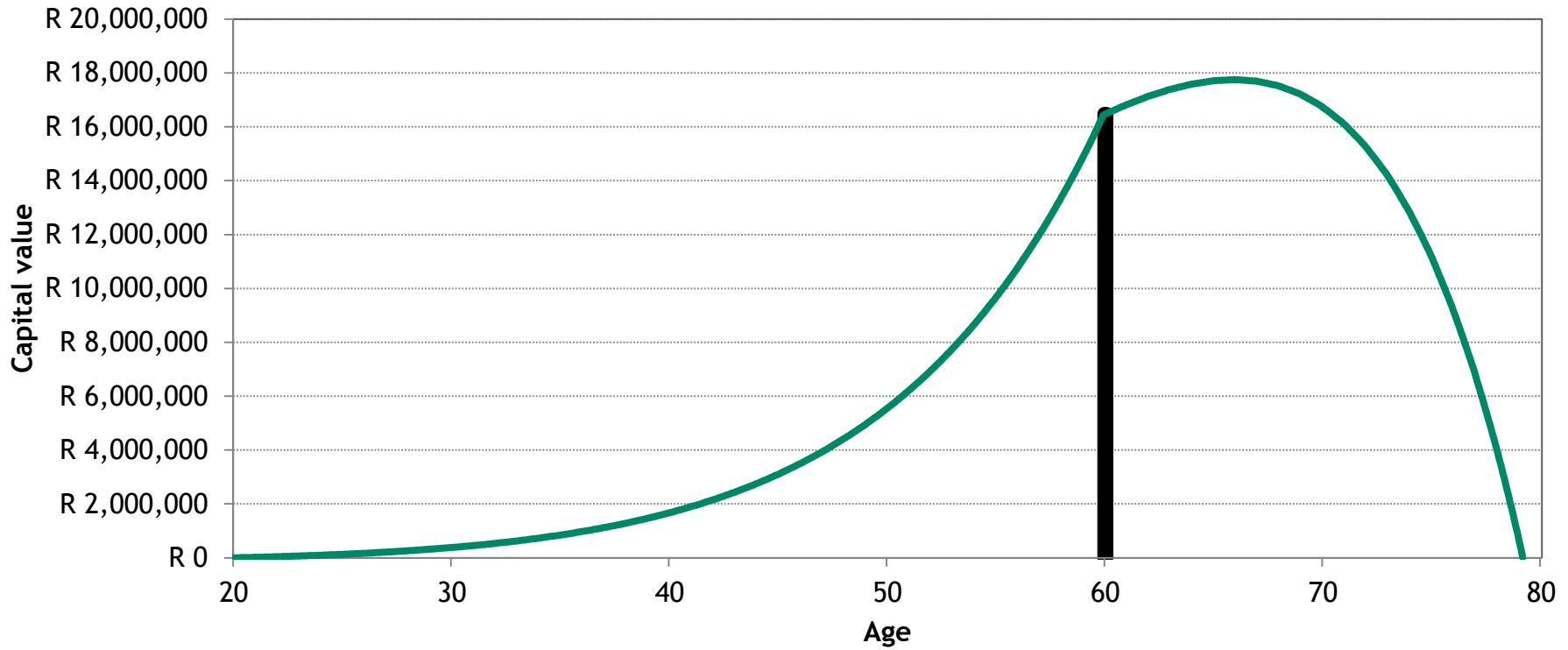
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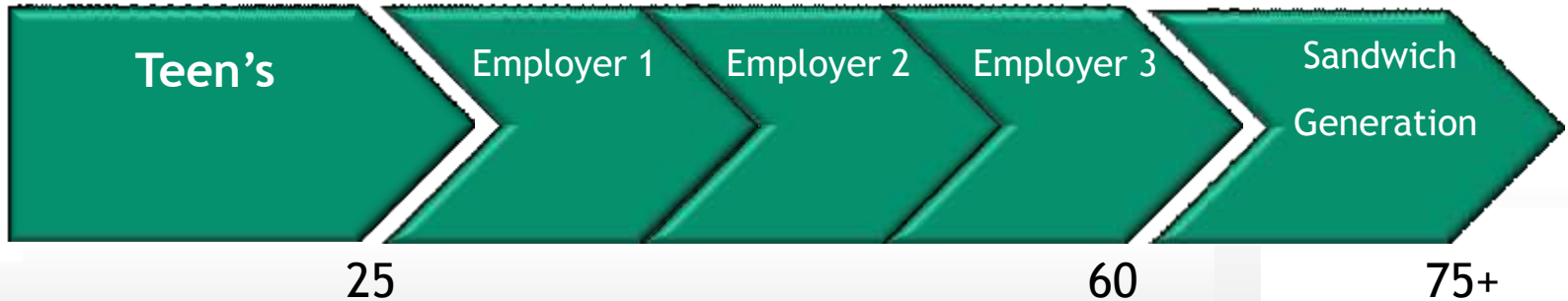
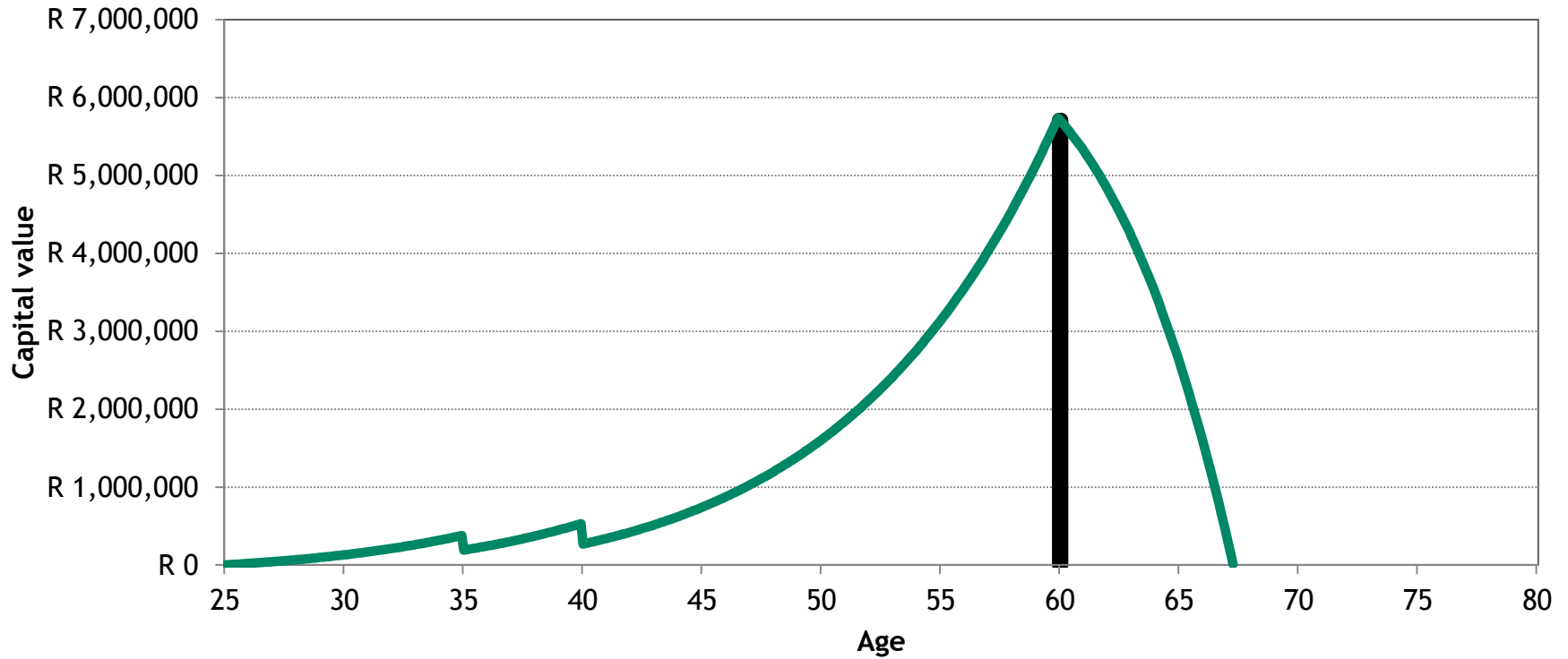
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Kenya	KE00	Spain	ES00	USA	US00	UK	GB00	Canada	CA00	China	CN00	Denmark	DK00	Sweden	SE00	Switzerland	CH00
Russia	RU00	Czech Rep.	CZ00	Greenland	GL00	Ireland	IE00	Poland	PL00	Slovenia	SI00	Norway	NO00	Belgium	BE00	Portugal	PT00
Philippines	PH00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00
Poland	PL00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00
Portugal	PT00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00	USA	US00

The Baby Boomers Care free “Cradle to Grave”

Performance through Focus



The Sandwich Generation “big” happy families....



56% of clients **CASH IN** on
resignation.

2% of clients **CONSULT**
prior resignation.



DESIRED retirement age is
60 BUT most clients only
EXPECT to **RETIRE** at
64....
to **CONTINUE WORKING**



1 in 4 pensioners
experience a **DROP** in
LIVING STANDARD at
retirement, increasing
to **3 in 4 DURING**
retirement.


















- Lower returns + Low savings = **RETIREMENT GAP**
- DIRE financial planning NEED
- FACING the GIANT, RETIREMENT
 - Environment + inflation : Johan Els
 - Why you can't ignore equities : Feroz Basa
 - Structuring portfolios for retirement : Roland Grabe
 - Scenarios to consider, building robust plans : Chantel Ilbury
 - Conclusion and wrap up

- **External environment**
 - Public enemy no 1 is a REALITY
 - Will remain volatile
- **Financial planning opportunity**
 - Clients priorities are RETIREMENT and EDUCATION
- **Retirement Capital**
 - GOLDEN YEARS = Time + Preservation + Growth
- **Retirement Income**
 - Retirement Capital only driver for Income
 - Control income volatility
- **Inflation**
 - Effects growth, income and LIVING STANDARDS

Closing the RETIREMENT GAP

Performance through Focus

	Pre-retirement	5 Years to retirement	Post retirement
Retirement Capital (Savings Amount)			
Retirement Income			
Time			
Inflation			
Exposure to Growth			

OMIGSA capabilities update

- OMIGSA Launches Imfundo Trust
- Old Mutual IDEAS Fund financed US\$90m, Beitbridge
- Absolute return Investments wins Hedge Fund Provider of the Year Award
- Futuregrowth wins R1,3bn Yield Enhanced Bond Mandate
- Futuregrowth wins SRI Investor of the Year Award
- Global Index Trackers wins \$ 400 million mandate
- Alternative Investments raises R9bn for Housing Impact Fund
- Alternative Investments concludes the largest SA Private Equity transaction
- Old Mutual and First Rand JV Transforms Cape Town CBD



OMIGSA's wide range of capabilities supports a diversified revenue stream

Performance through Focus

Traditional Asset Management Capabilities

Equities

ELECTUS
EQUITY SPECIALISTS

A Member of the OLD MUTUAL Investment Group



Richard Hasson / Neil Brown



A Member of the OLD MUTUAL Investment Group



Peter Linley

OLD MUTUAL Value Equity
Investment Group Investments



Michael Schroder / Feroz Basa

OLD MUTUAL Quantitative
Investment Group Investments



Saliegh Salaam / Grant Wilson

dibanisa
FUND MANAGERS



Craig Chambers

Fixed Income

Futuregrowth
ASSET MANAGEMENT

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Paul Rackstraw

OLD MUTUAL Macro Strategy
Investment Group Investments



Peter Brooke

OLD MUTUAL Absolute Return
Investment Group Investments



Tom Connell

SYMMETRY
multi-manager

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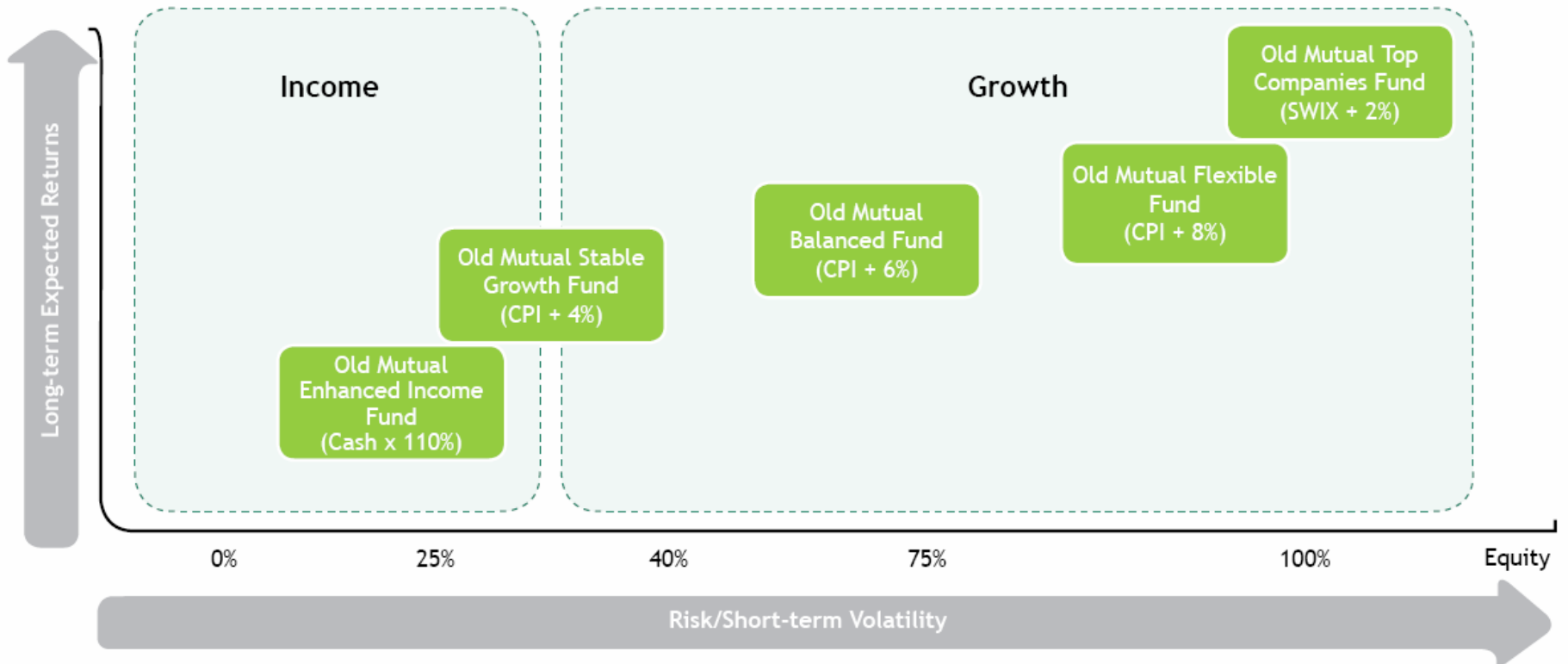


Trevor Pascoe

OLD MUTUAL
Investment Group

Classic Investment Collection

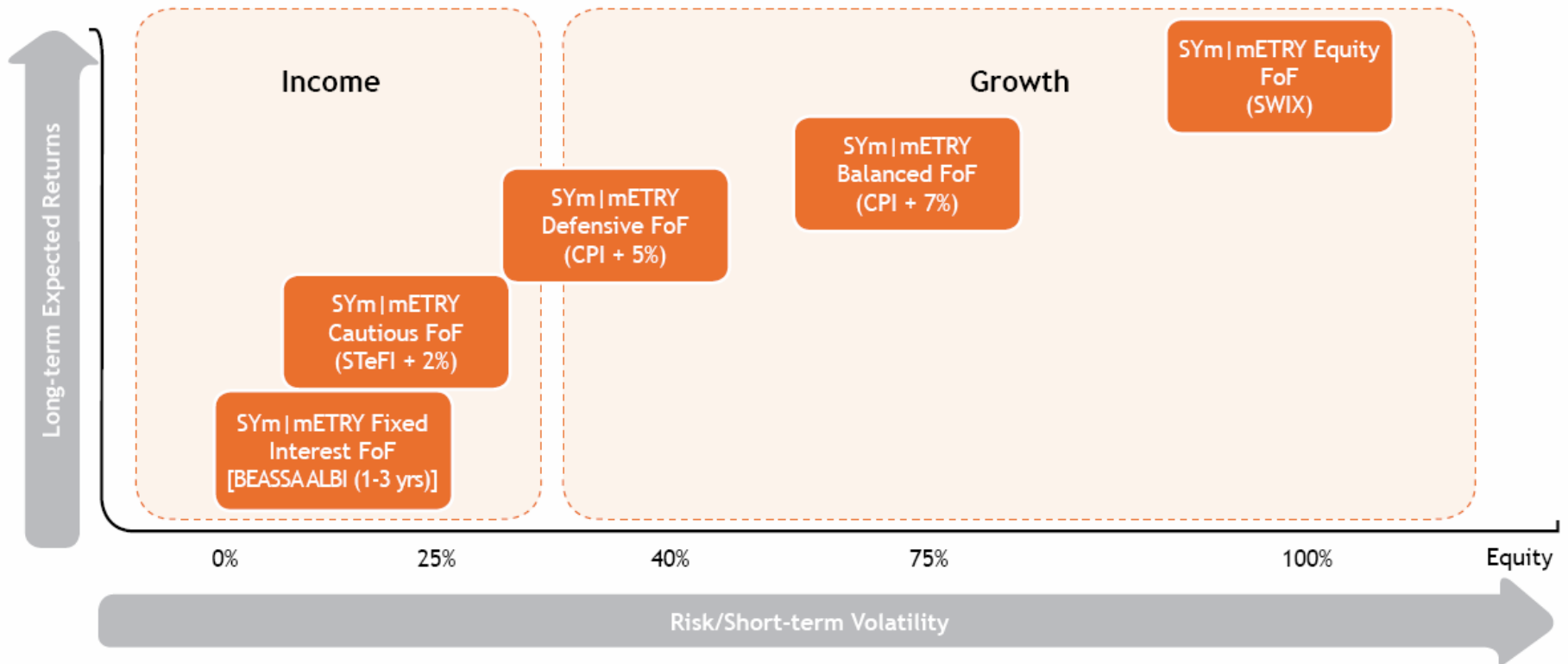
Performance through Focus



- Expected real returns in the medium term.
- Real return is the target on a rolling three-year basis, gross of fees.

Multi-Manager Classic Investment Collection

Performance through Focus



- Expected real returns in the medium term.
- Real return is the target on a rolling three-year basis, gross of fees.

WINNING across the board

Performance through Focus

Fund Name	Top Quartile (years)	Rating	Net Flows (12 mths)
Inst Money Market Fund	All	★ ★ ★ ★	R39bn
Income Fund	2 - 9	★ ★ ★ ★	
Enhanced Income Fund	7	★ ★ ★ ★	
Real Income Fund	All	★ ★ ★ ★	
Balanced Fund	1,2	★ ★ ★	R31bn
Flexible Fund	2, 6, 8	★ ★ ★ ★	
SYm mENTRY Balanced Fund	2, 3, 4, 5, 6, 10	★ ★ ★ ★	
Growth Fund	5, 7, 8, 9	★ ★ ★ ★	R6bn
High Yield Opportunity Fund	2, 3, 9, 10, 11, 12	★ ★ ★ ★	
Mining & Res Fund	4 - 15	★ ★ ★ ★	
Industrial Fund	12	★ ★ ★ ★ ★	
Financial Services		★ ★ ★ ★	



Thank You

