



OLD MUTUAL

Investment Group

**Absolute Return
Investments**

Global Hedged Equity Fund

Portfolio Manager |
Ivy Asset Management and
Tom Connell



INVESTMENT DESCRIPTION

The Global Hedged Equity Fund is a dollar-based fund, targeting consistent positive returns which are generated by the extraordinary 'alpha' or skill of the underlying managers, whilst maintaining a low to moderate risk profile. The fund aims to preserve capital in all market environments, providing good diversification from traditional equity and bond investments.

INVESTMENT OBJECTIVE

The performance objective of the fund is to outperform the performance benchmark (1 month USD LIBOR) by a skill based return 'alpha' of 6-8% p.a. (in US\$ and net of fees) with limited directional market exposure (a target beta of 0.40 compared to the S&P 500). This objective is targeted over rolling 3 year periods. Although this fund has a market directional component, the long term focus is still on skill based returns. Guarantees on returns or against capital losses are not provided.

INVESTMENT COMPOSITION

The fund is structured using a 'fund of funds' approach, investing its assets in underlying hedge funds which follow predominately Long/Short Equity strategies, with some equity market dependence. Various global hedge fund managers manage these underlying funds. The selection of underlying hedge fund managers is subcontracted to Ivy Asset Management, a specialist New York-based fund of hedge funds advisor.

SUITABLE INVESTORS

The Global Hedged Equity Fund is suitable for investors who seek consistent positive returns with low to moderate volatility, and want capital preservation in all market environments.

INVESTMENT TEAM

Funds are selected by Ivy Asset Management in conjunction with Tom Connell, Head of the Absolute Return Investments Boutique. Tom has 21 years experience in finance and investment banking. Before joining, he was the Head of Corporate Finance at Old Mutual. In Tom's current position, he is responsible for the commercial development of the Absolute Return Investments Boutique as well as the development of products offered by this unit.

Ivy Asset Management was established in 1984 and is one of the top global specialist fund-of-funds advisors, with over \$15bn assets under management.

Launch Date

September 2001

Fund Category

Global Fund of Funds

Product Vehicle

The fund is listed on the Dublin exchange set up as a Variable Capital Company and is tailored to meet the needs of South African investors.

Benchmark

1 month USD LIBOR

Minimum Investment

€125 000

Liquidity

Investments monthly
with 7 days notice

Disinvestments
quarterly with 45 days
notice

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