

# OLD MUTUAL ACTIVE QUANT EQUITY FUND

## FUND INFORMATION

RISK RATING 1 2 3 4 5

### 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.

### RECOMMENDED MINIMUM INVESTMENT TERM

1 year+      3 years+      5 years+

### INVESTMENT MANDATE

The fund invests in equities listed on the JSE Securities Exchange (JSE).

**BENCHMARK:** FTSE/JSE Shareholder Weighted Index (SWIX)

**PERFORMANCE TARGET:** SWIX + 2% p.a. (gross of fees)

**CATEGORY BENCHMARK:** FTSE/JSE All Share Index

### ASISA CATEGORY:

Domestic - Equity - General

### FUND MANAGER(S):

Grant Watson (*OMIGSA - Quantitative Investments*)

**LAUNCH DATE:** 23/12/1998

**SIZE OF FUND:** R227m

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

Date	Dividend	Interest	Total
31/12/2011	56.75c	3.43c	60.18c
30/06/2011	36.91c	3.04c	39.95c

\* Class A fund distributions

## OTHER INVESTMENT CONSIDERATIONS

### MINIMUM INVESTMENTS:

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

### INITIAL CHARGES:

There is no initial administration charge for investment transactions of R500 and above. Initial adviser fee will be between 0% and 3.42%. Investment transactions below the R500 fund minimum incur a 2.28% administration charge.

### ONGOING:

Performance fees apply as follows:

Annual service fee (min./max.): 0.86% / 2.85% p.a.

Class A performance fee: 0.25%

Fee hurdle: SWIX - 2%

Sharing rate: 15%

Manager shares in any performance above the fee hurdle. The performance fee is based on rolling one-year periods (details on website). It is accrued daily and paid to the management company on a monthly basis. Additional charges are deducted from the fund's portfolio and may be included in the TER. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER.

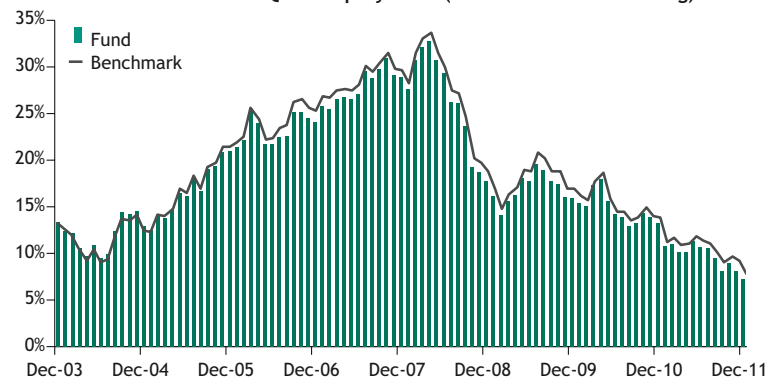
Total expense ratio (TER): 1.15%

TER is a historic measure and includes the annual service fee.

## FUND PERFORMANCE as at 31/12/2011

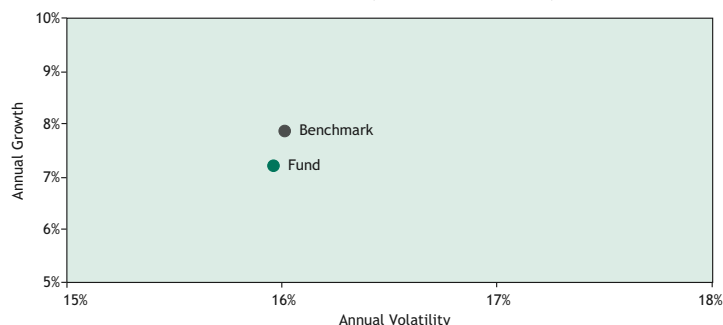
	% PERFORMANCE (p.a.)					Since Inception
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	
Fund	2.3	16.2	7.2	14.6	15.4	15.8
Benchmark	4.3	17.5	7.9	15.6	16.3	16.4

Old Mutual Active Quant Equity Fund (5-Year Annualised Rolling)

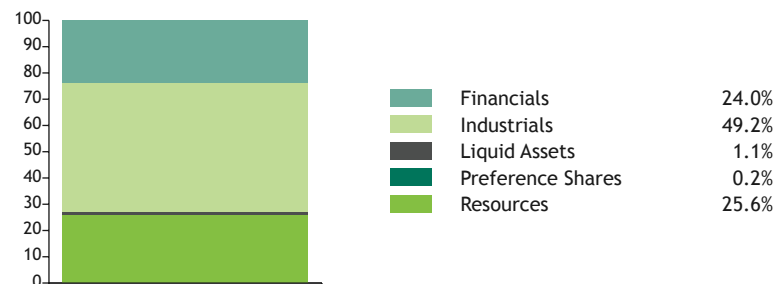


RISK STATISTICS (5 YEARS ANNUALISED)	FUND	BENCHMARK
Annual Standard Deviation	16.0%	16.0%

Risk/Return Profile (5 Years Annualised)



## FUND COMPOSITION



## CURRENT PRINCIPAL HOLDINGS

HOLDING	SECTOR	% OF FUND
MTN Group Limited	Telecommunications	9.5
Sasol Ltd	Oil & Gas	6.1
BHP Billiton Plc	Basic Resources	5.7
Anglo American Plc	Basic Resources	4.7
SABMiller Plc	Food & Beverages	4.5
Standard Bank Group Ltd	Banks	3.8
FirstRand Ltd	Banks	3.1
Richemont	Personal & Household Goods	2.6
Naspers Ltd	Media	2.6
Shoprite Holdings Ltd	Retail	2.5

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## FUND MANAGER INFORMATION



**GRANT WATSON**

### QUALIFICATIONS:

BCom  
MBA  
CMMD  
SAIS

### CURRENT RESPONSIBILITY:

He shares joint responsibility for driving the investment process, developing and implementing the Quantitative Investments boutique strategy and creating an enabling environment for the investment team to excel. Grant considers innovation, intuition and optimism as his key assets.

### PREVIOUS EXPERIENCE:

Grant has 17 years of financial market experience encompassing proprietary trading in currencies, equity derivatives, and hedge fund management.

He has been with Futuregrowth Asset Management since 2004, which was acquired by OMIGSA in 2008. He manages various quantitative funds in the hedge funds, absolute return and long space.

## FUND COMMENTARY as at 31/12/2011

The sovereign debt crisis across Europe continued to dominate global market sentiment, with continued promises of an orderly resolution, which has failed to materialise. The plans which were put forward have led to no real implementable solutions. For this reason, we believe a continued focus on portfolio risk, and the construction of our portfolios so as to minimise volatility of returns, is going to be key in the ensuing months to preserve investors' capital.

The FTSE/JSE All Share Index (ALSI) posted a positive return of 8.4% during the fourth quarter of 2011, recovering the losses it suffered during the third quarter of 2011 (-5.8%). At an equity sector level, automobiles posted a large positive 23.3% total return; on the negative side, fixed line telecoms lost (-9.3%) over the quarter.

For the year of 2011, the FTSE/JSE Shareholder Weighted All Share Index posted a gain of 4.3%.

The fund's strategy is to maximise expected returns, through the combination of portfolio construction techniques and our alpha forecasts, over and above the benchmark, in a risk-controlled fashion. The fund was positioned in line with our alpha forecast model during the fourth quarter of 2011.

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 RAFI® 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.

The portfolio performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Lump sum basis. Performances are in ZAR and as at 31 December 2011. Sources: Morningstar and OMIGSA (estimated inflation figure for month of December 2011). Past performance is not necessarily an indication of future performance.

Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA).

Funds are also available via Fairbairn Capital and MAX Investments.

Helpline 0860 234 234 Fax +27 21 509 7100 Internet [www.omut.co.za](http://www.omut.co.za) Email [unittrusts@oldmutual.com](mailto:unittrusts@oldmutual.com)

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