

# OLD MUTUAL GLOBAL EMERGING MARKET FUND

## FUND INFORMATION

RISK RATING 1 2 3 4 5

### FUND OBJECTIVE

The fund aims to deliver long-term capital growth by investing in a diversified portfolio of shares of companies either listed on emerging market exchanges or with a significant stake in emerging market countries.

### WHO IS THIS FUND FOR?

This fund is suited to investors seeking high, long-term growth through exposure to emerging markets. This investor can tolerate equity and exchange rate volatility, as well as the geopolitical risks associated with emerging markets.

### RECOMMENDED MINIMUM INVESTMENT TERM

1 year+      3 years+      5 years+

### INVESTMENT MANDATE

The fund invests in companies listed on emerging market exchanges and companies listed in developed markets that derive more than half of their assets, revenue or profit from emerging market countries. It may also invest in US and global depository receipts, preference shares and derivatives. In addition, it may also hold participatory units in appropriate Collective Investment Schemes.

### REGULATION 28 COMPLIANCE

This fund aims to offer exposure to a specific asset class. It therefore holds a higher allocation to international assets than what is allowed in terms of Regulation 28 of the Pension Funds Act. The fund is therefore not Regulation 28 compliant.

**BENCHMARK:** MSCI Emerging Market NR Index

**ASISA CATEGORY:** Foreign Portfolios - Equity - Varied Specialist Portfolios

**FUND MANAGER(S):** Anwaar Wagner (OMIGSA - ELECTUS)

**LAUNCH DATE:** 17/08/2011

**SIZE OF FUND:** R890m

### DISTRIBUTIONS (Annually):

Date	Dividend	Interest	Total
31/12/2011	0.00c	0.00c	0.00c

**TAX REFERENCE NUMBER:** 9244/124/18/7

## OTHER INVESTMENT CONSIDERATIONS

### MINIMUM INVESTMENTS:

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

### INITIAL CHARGES (All fees are VAT inclusive):

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. Details are as follows:  
Annual service fee (min./max.): 1.71% / 3.42% p.a.

Fee hurdle: Benchmark

Sharing rate: 15%

Fee at hurdle/target: 1.71% p.a.

**EXIT FEE:** Old Mutual Unit Trusts will charge an exit fee of 2.28% within 2 weeks of entry and reserves the right to charge this fee within 6 months of entry.

### Total expense ratio (TER):

This will be published 12 months from the launch date.

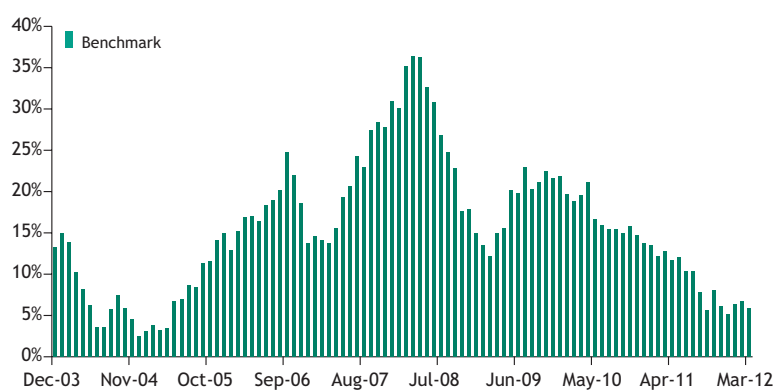
TER is a historic measure and includes the annual service fee.

## FUND PERFORMANCE as at 31/03/2012

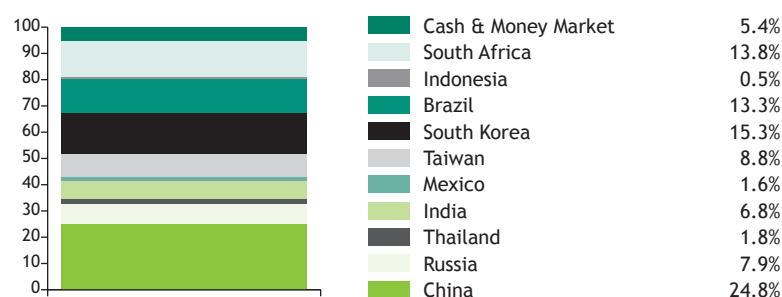
	% PERFORMANCE (p.a.)					Since Inception
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	
Fund	-	-	-	-	-	12.2
Benchmark	3.5	16.4	5.9	15.6	9.7	11.6

Annual performance figures will be published once the fund is a year old.

### MSCI Emerging Market NR Index (5-Year Rolling Returns)



## FUND COMPOSITION



## CURRENT PRINCIPAL HOLDINGS

HOLDING	SECTOR	% OF FUND
Hyundai Motor Co Ltd Pfd	Industrials	6.7
Samsung Electronics Pfd	Consumer Goods	4.4
X5 Retail Group Nv Regs Gdr	Retail	4.0
Sohu Com Com US	Information Technology	3.7
China Mobile Ltd	Telecommunications	3.6
Vedanta Resources	Basic Resources	3.6
Naspers Ltd	Media	2.8
Taiwan Surface Mounting	Industrials	2.7
Lianhua Supermarket	Retail	2.6
Investec	Banks	2.6

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## FUND MANAGER INFORMATION



**ANWAAR WAGNER**

### QUALIFICATIONS:

BBusSc

### CURRENT RESPONSIBILITY:

Anwaar joined the ELECTUS team in January 2011. His extensive experience in the resources sector complements boutique heads Richard Hasson and Neil Brown's local market experience. Anwaar spends the majority of his time analysing key components of global emerging markets, and the balance providing his team with quality input on the South African resources sector (being the largest equity sector within our market).

### PREVIOUS EXPERIENCE:

Anwaar joined OMIGSA in December 2004. As Head of Resources Sector Research for OMIGSA's Equity Research boutique, he was responsible for the diversified mining companies and non-mining companies, such as steel, forestry & paper. He was also fund manager of the Old Mutual Mining and Resources Fund. Under his management this unit trust won numerous industry awards for performance.

Before joining OMIGSA, Anwaar spent five years with Metropolitan Asset Managers, where he worked as a dealer, quantitative analyst, and resources equity analyst and portfolio manager.

Before that he worked for Oasis in various positions.

## FUND COMMENTARY as at 31/03/2012

Despite the March decline of 3.5%, MSCI GEMs rose 13.6% in the first quarter (Q1) of 2012, which was the best first quarter for EM equities in 20 years, and outperformed the 11.3% delivered by MSCI Developed World Index. Central Eastern Europe Middle East and Africa (CEEMEA) at +15.4% was the top performing region in Q1, followed by Latin America (+14.0%) and Asia (+13.0%).

The top performing global emerging market countries in Q1 were Egypt, Turkey and Hungary, whereas Morocco, Indonesia and Malaysia were the laggards. The top performing GEM sectors in Q1 were IT, industrials and healthcare, while the laggards were telecoms, materials and consumer discretionary.

Following our recent return trips to Asia in January and March, we introduced two new counters from that region to the portfolio, including SOHU.COM (China), and added to positions in Hyundai Motor (South Korea), X5 Retail (Russia) and Vedanta PLC (India). We also sold out and realised profits on a number of shares after they approached our price targets, including Sberbank (Russia), China Merchants Holdings, Geely Auto (China) and Tata Motors (India).

We have spoken about China Mobile in previous notes. US\$100 invested in China Mobile at the launch of the fund at 1 September 2011, would be worth \$108.5 at 30 March 2012, compared to US\$85 if invested in MTN, or US\$80 if invested in China Unicom (2nd largest Chinese mobile operator). We look forward to telling you more about our latest largest holding – Hyundai Motor Company – in an upcoming note!

For our current and potential clients, we remain committed to the objective of the fund. Through in-house research, we focus on high-conviction share selection of superior quality companies priced below their long-term investment value – with the aim of offering superior returns over the longer term by investing in world-class companies operating in global emerging markets.

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 March 2012. Sources: Morningstar and OMIGSA (estimated inflation figure for month of March 2012). 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).