



OLD MUTUAL UNIT TRUSTS

Amalgamation of the Old Mutual Financial Services Fund, Old Mutual Industrial Fund, Old Mutual Growth Fund, Old Mutual Top Companies Fund and the Old Mutual Top 20 Fund into the Old Mutual Equity Fund

As part of our strategic intent to make it easier for our clients to invest with us and to create a clear, concise and consistent fund range, we made a proposal to the FSCA to amalgamate the following portfolios into Old Mutual Equity Fund:

- Old Mutual Financial Services Fund
- Old Mutual Industrial Fund
- Old Mutual Growth Fund
- Old Mutual Top Companies Fund
- Old Mutual Top 20 Fund

The amalgamations will be effective date **31 May 2019**, provided the ballot is successful.

We believe the decision to close these funds will, apart from simplifying our fund range, better position the Old Mutual Equities boutique to focus on the core range of retail portfolios managed by them. This will be to the ultimate benefit of our clients.

Attached to this email, please find a copy of the ballot letter and addendum which will be mailed to investors in the above funds.

Old Mutual SA Quoted Property Fund - Benchmark Change

The benchmark of the Old Mutual SA Quoted Property Fund changed from the FTSE/JSE Listed Property Index (SAPY) to the FTSE/JSE All Property Index (ALPI) with effect from 1 March 2019.

The SAPY comprises the top 20 liquid companies, by full market cap, in the Real Estate Investment & Services Sector (8630) and Real Estate Investment Trusts Sector (8670), with a primary listing on the JSE. Offshore counters with their primary listings on other exchanges do not qualify for inclusion in the SAPY. From a concentration risk perspective the top 5 counters are over 60% of the SAPY, with the largest counter, Growthpoint, being in excess of 20% of the index.

The JSE has since launched the ALPI, which currently comprises 34 counters listed on the FTSE/JSE Shareholder Weighted All Share Index, inclusive of JSE listed counters with a primary listing on offshore exchanges. The ALPI uses the SWIX free-float adjustment methodology to determine individual stock weightings, capping individual stock exposures at 15%.

We believe that the ALPI is the most suitable benchmark for the SA listed property market as it offers clients a benchmark that is more diversified, more representative of the investable property universe, and has lower concentration risk.

Amalgamation of the Old Mutual Global Emerging Market Fund into the Old Mutual MSCI Emerging Markets ESG Index Feeder Fund

We previously announced the launch of the Old Mutual MSCI Emerging Markets ESG Index Feeder Fund on 31 October 2018. The fund is managed by Old Mutual Customised Solutions (Pty) Ltd, a boutique of the Old Mutual Investment Group.

Given recent trends in the global investment space a decision was made to simplify our global fund range. In light of this, a proposal was made to the FSCA to amalgamate the Old Mutual Global Emerging Market Fund into the Old Mutual MSCI Emerging Markets ESG Index Feeder Fund. The ballot closed on 11 March 2019 and if successful, will result in a merger effective 29 March 2019.

One of the key advantages of the Old Mutual MSCI Emerging Markets ESG Index Feeder Fund is that it provides cost-efficient exposure to the Old Mutual MSCI Emerging Markets ESG Leaders Index, a free float-adjusted market capitalisation weighted index designed to measure the equity market performance of companies with high ESG performance relative to their sector peers across Emerging Markets.

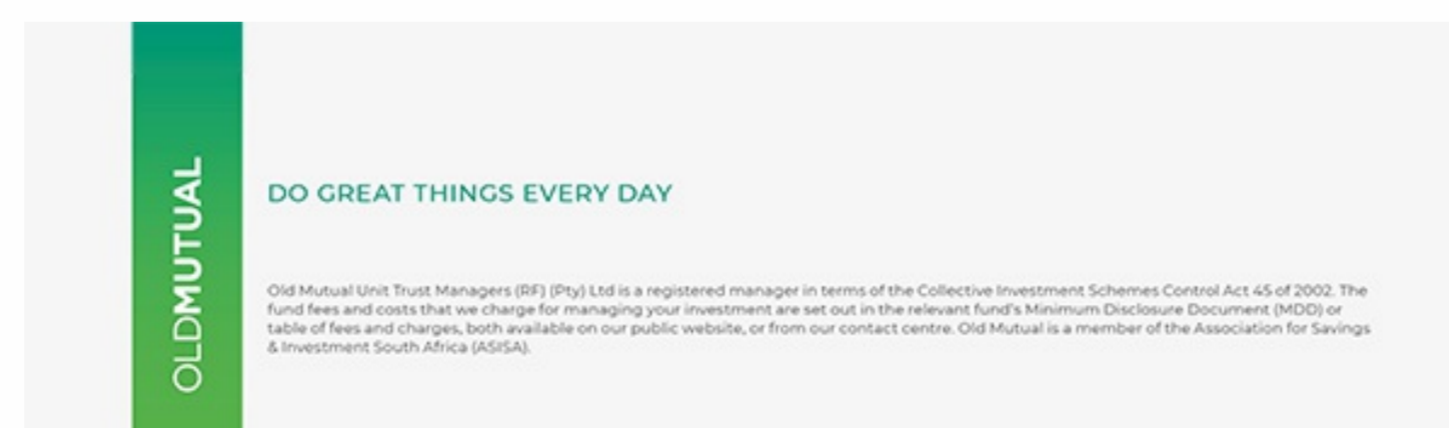
As evidenced by recent industry events, the application of ESG principles should be an important component of any investment process and integral to assessing the long-term sustainability of companies.

Amalgamation of the Old Mutual Global Bond Feeder Fund into the Old Mutual Global Currency Feeder Fund

The Old Mutual Global Bond Feeder Fund is one of two remaining investors in the underlying UCITS bond fund into which it feeds. We were notified that the other and by far largest investor will be disinvesting from the UCITS fund. If the low AUM Old Mutual Global Bond Feeder Fund remains invested in the underlying UCITS fund, it will impact negatively on the fund's TER.

As a result a proposal was made to the FSCA to amalgamate the fund into the Old Mutual Global Currency Feeder Fund, which fund has exposure to a basket of major foreign currencies. This ballot is currently in progress and if successful, the merger will be take place on 30 April 2019.

For any further information please contact your Old Mutual Fund Specialist, call 0860 234 234 or email us at unittrusts@oldmutual.com



Attachments (2)

[Investor_ballot_lett... \(204kb\)](#) [Addendum_Guiding_sim... \(79kb\)](#)