

A low-angle, upward-looking photograph of several skyscrapers against a clear blue sky. The buildings are illuminated with warm, golden light, suggesting dusk or dawn. The perspective creates a sense of height and grandeur.

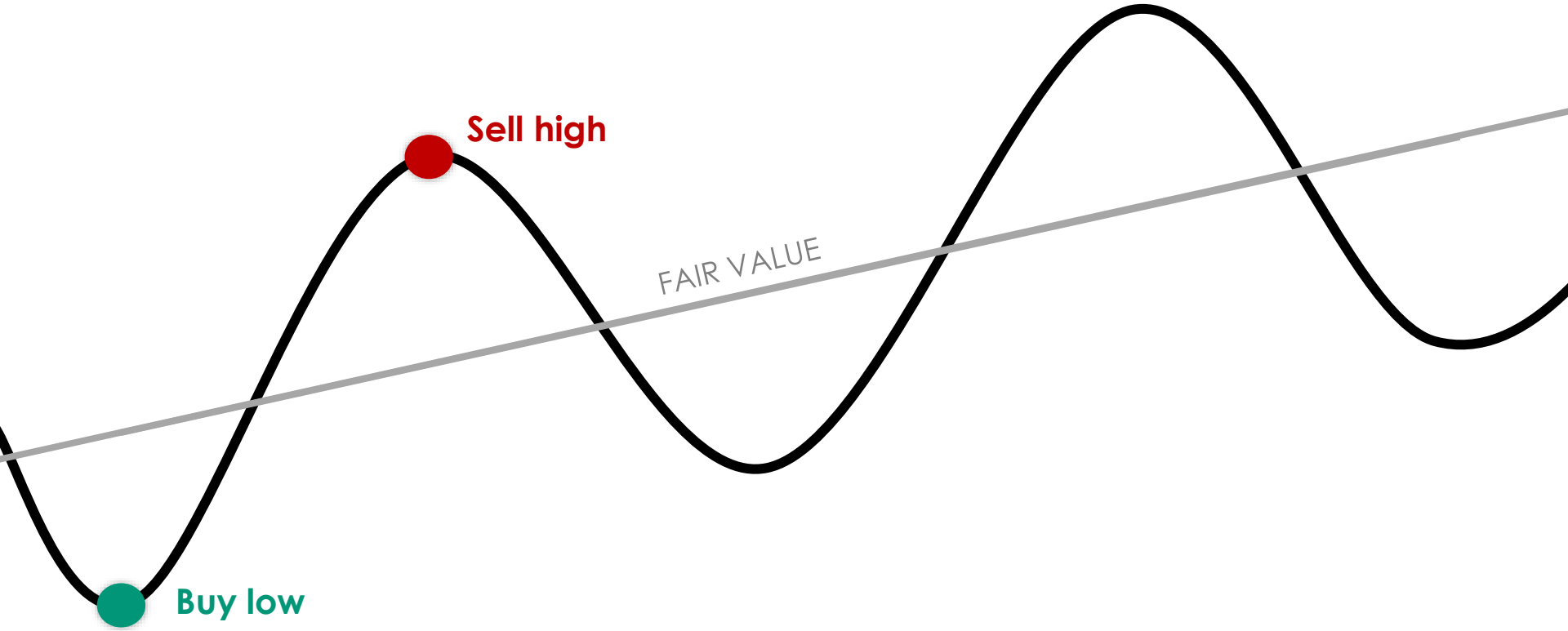
OLDMUTUAL

# AN UNCOMMON ADVANTAGE

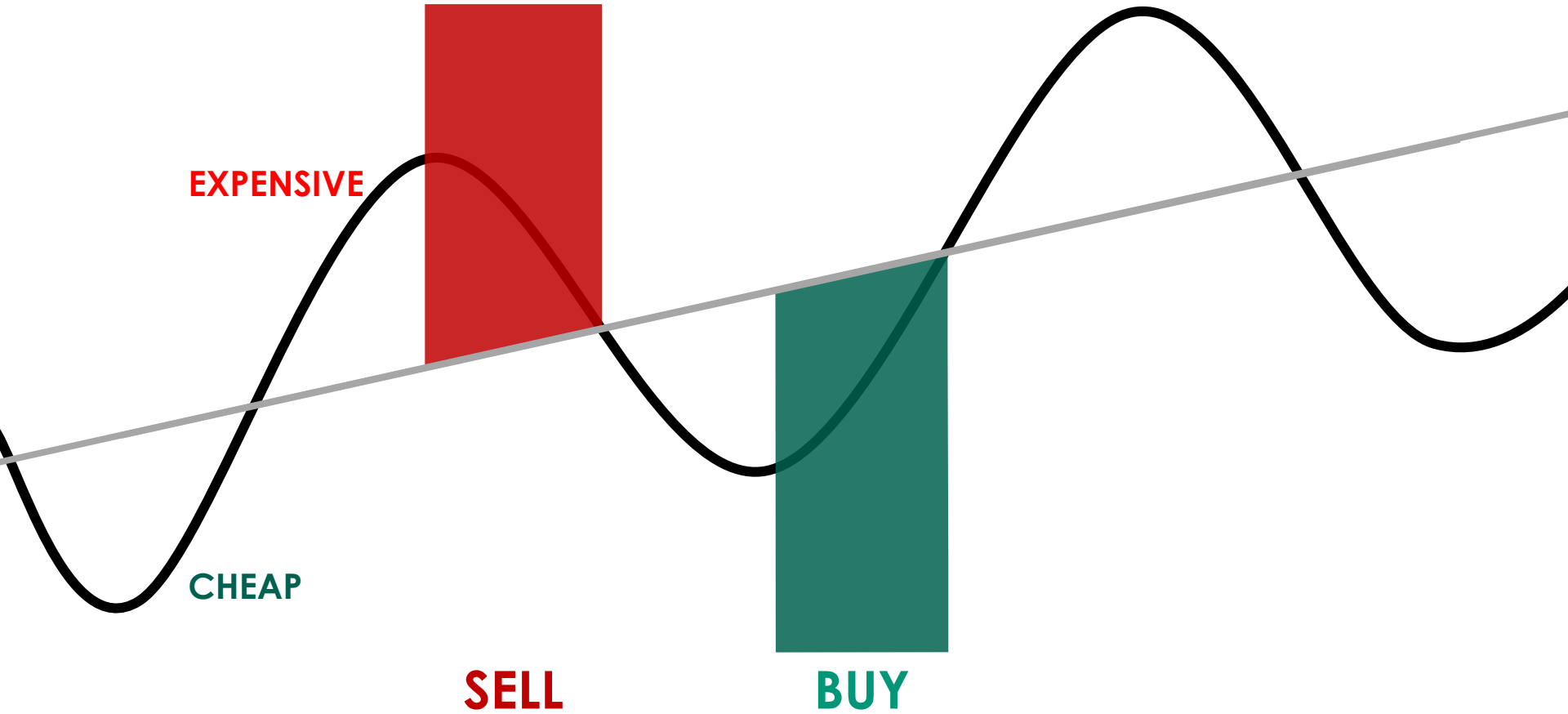
Peter Brooke



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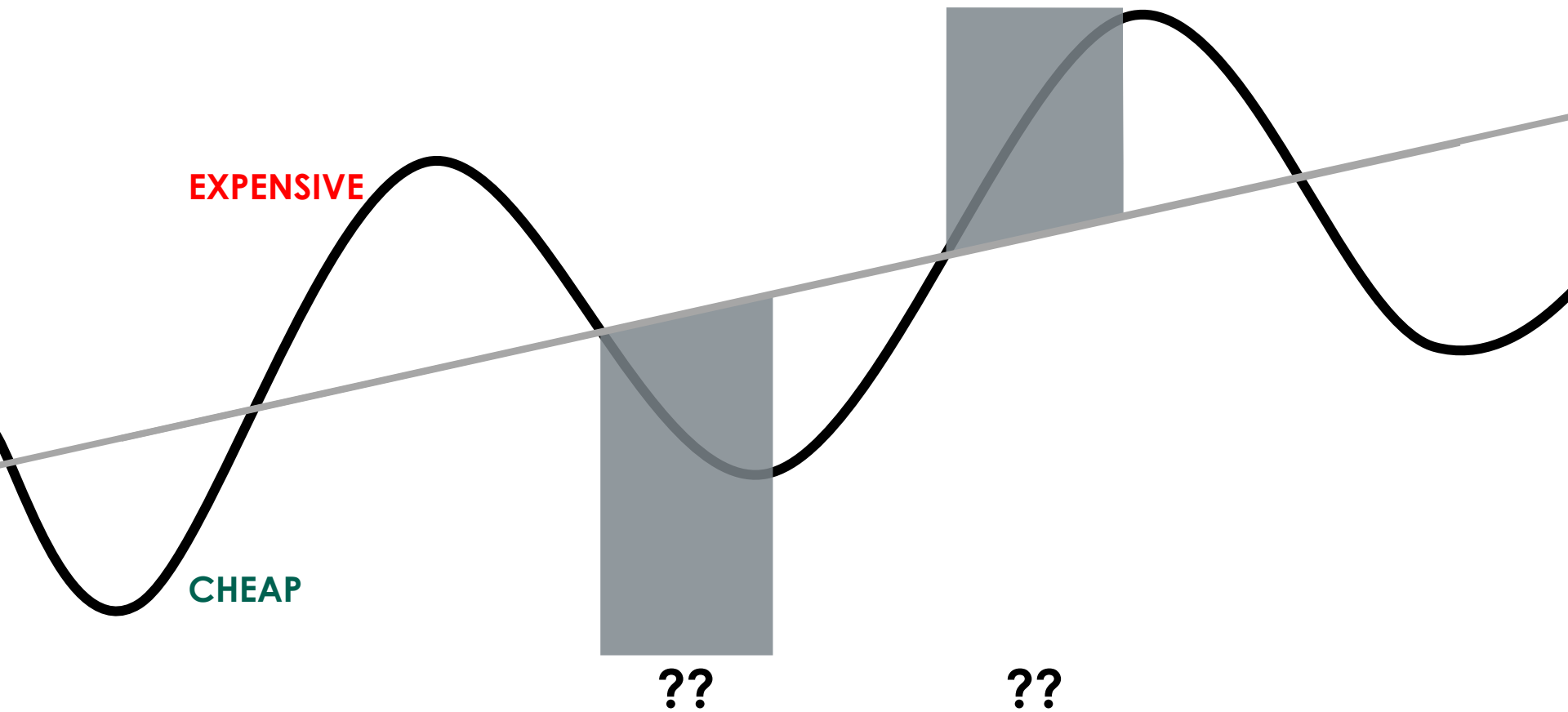






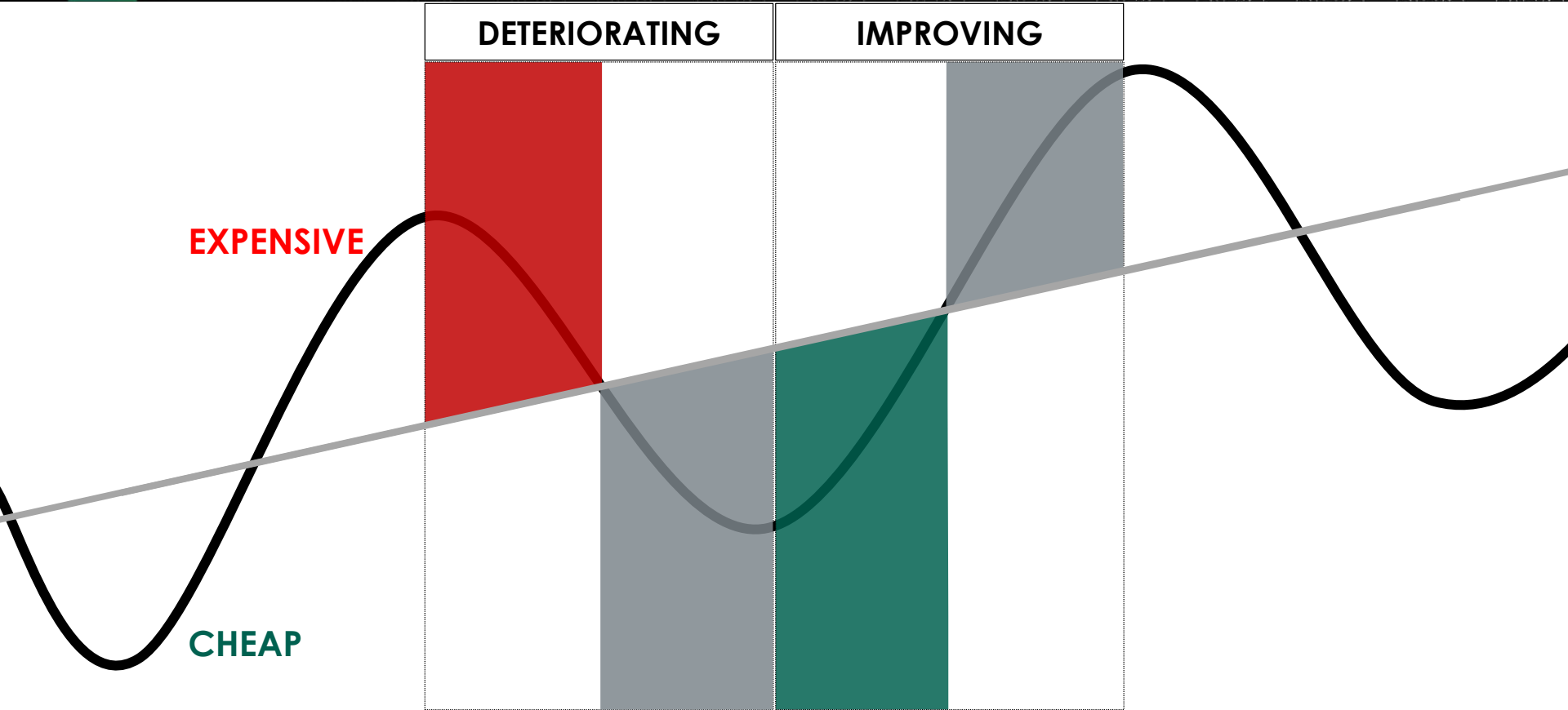


# VALUATION DOESN'T WORK





# VALUATION + THEME = TWO DIMENSIONAL





**DEFINITION | A MATERIAL DRIVER OF AN ASSETS PERFORMANCE**



**Macro**



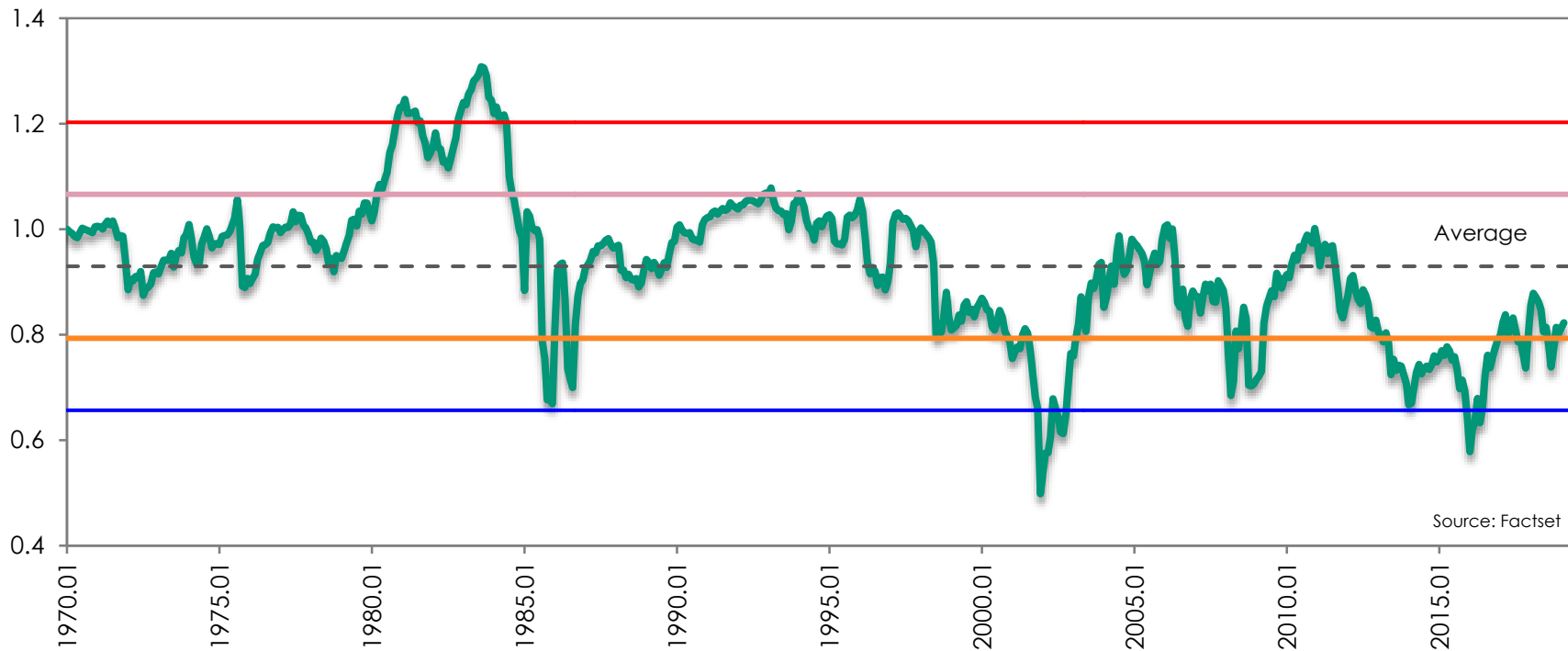
**Industry**



**Company specific**



## Valuation: Real effective exchange rate





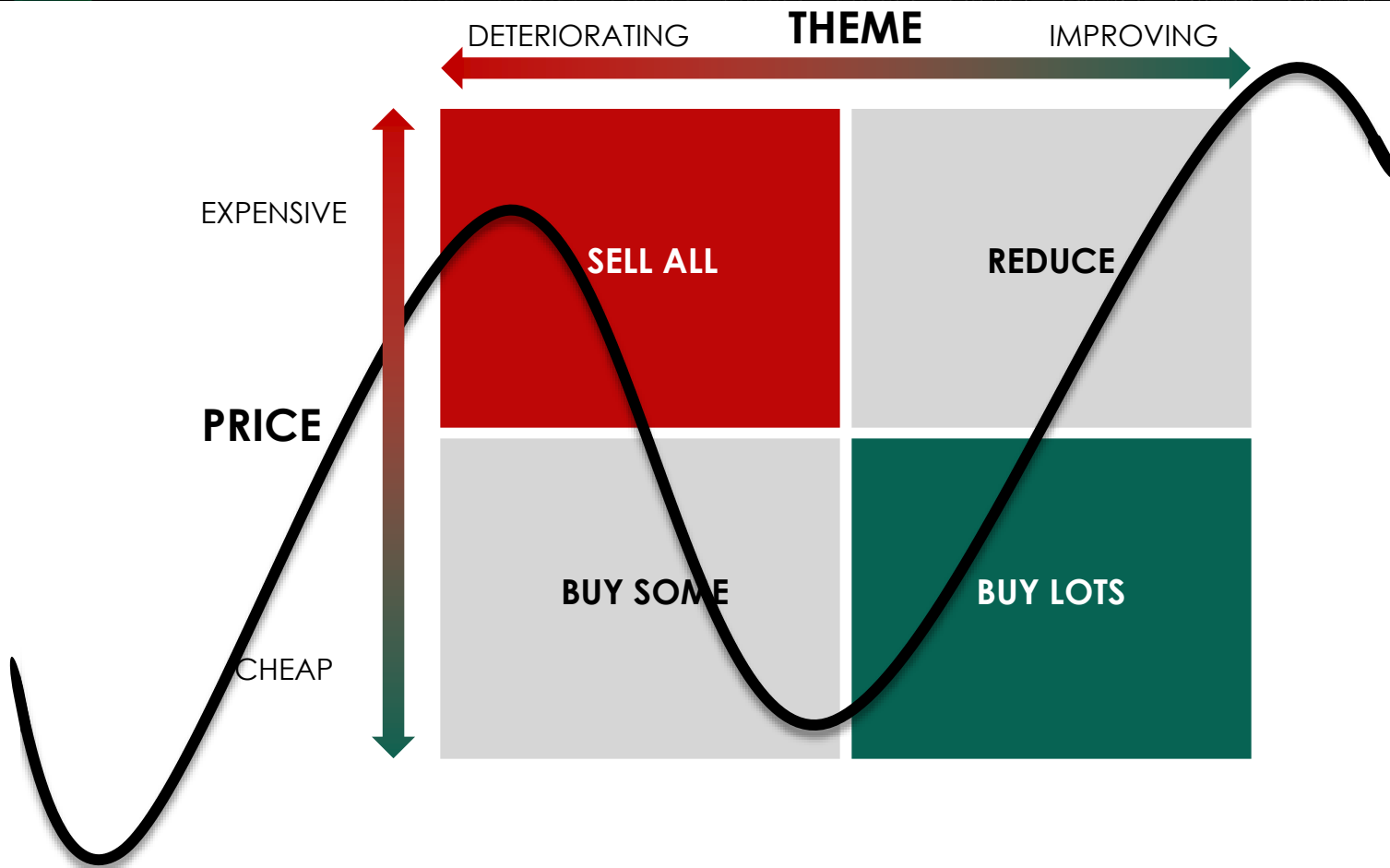


## Personal loans (% of growth)



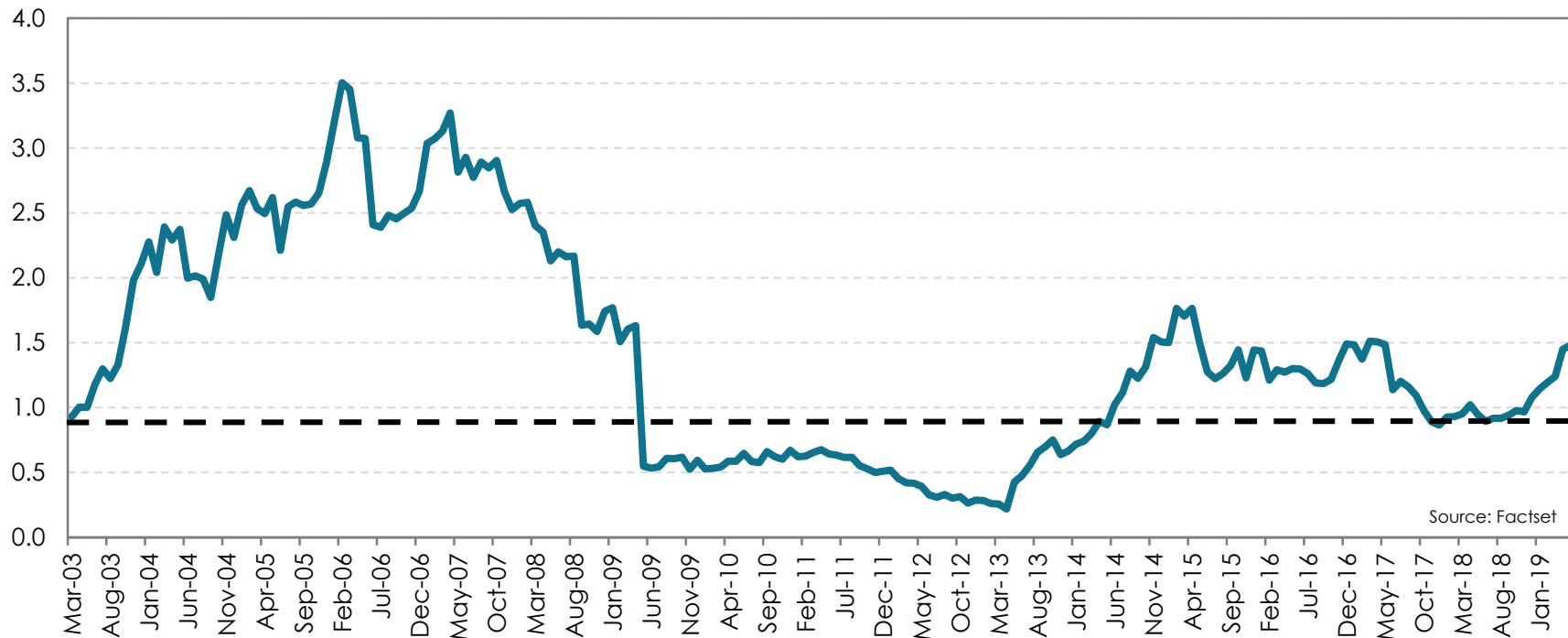


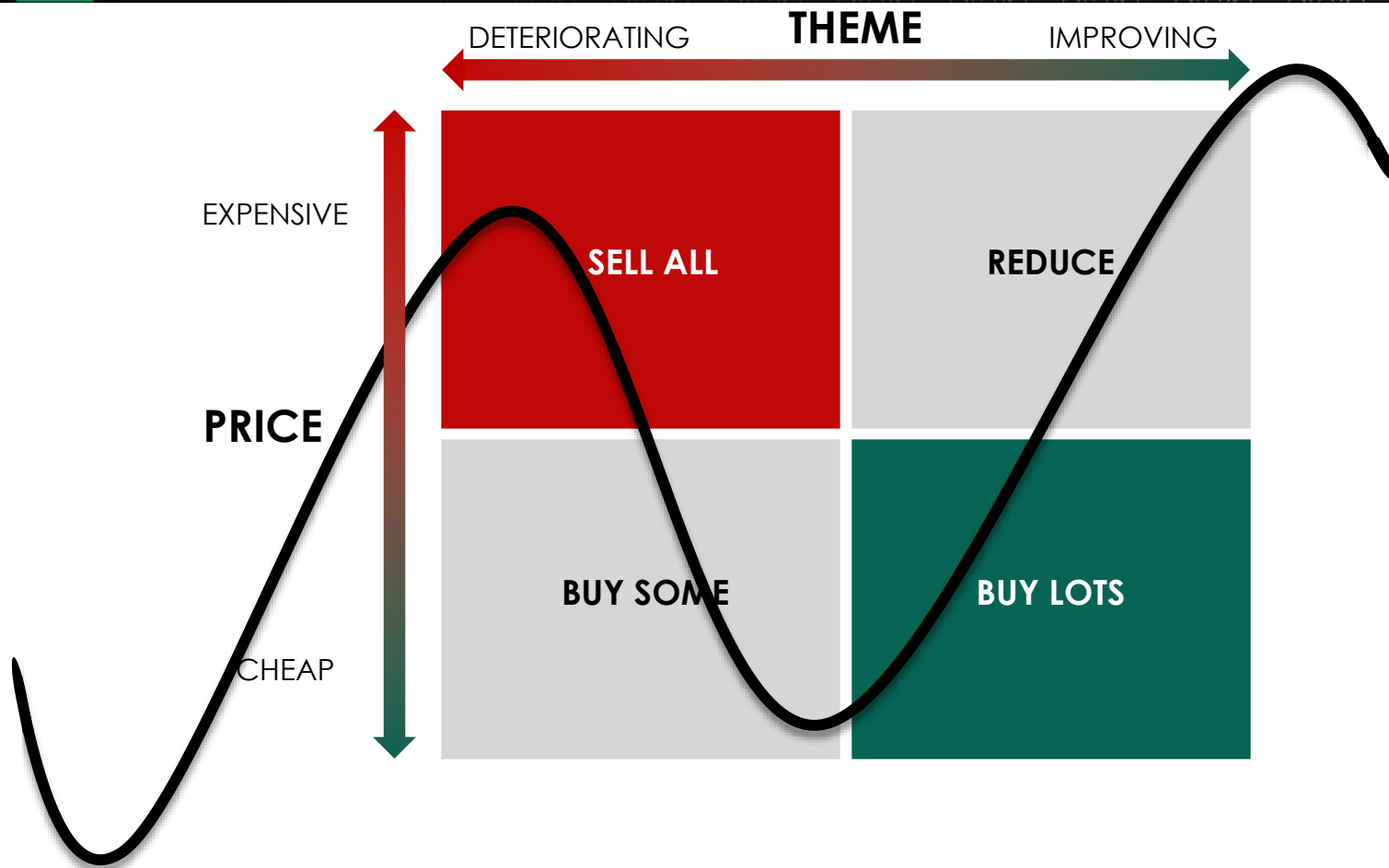
# PHILOSOPHY | TWO DIMENSIONAL

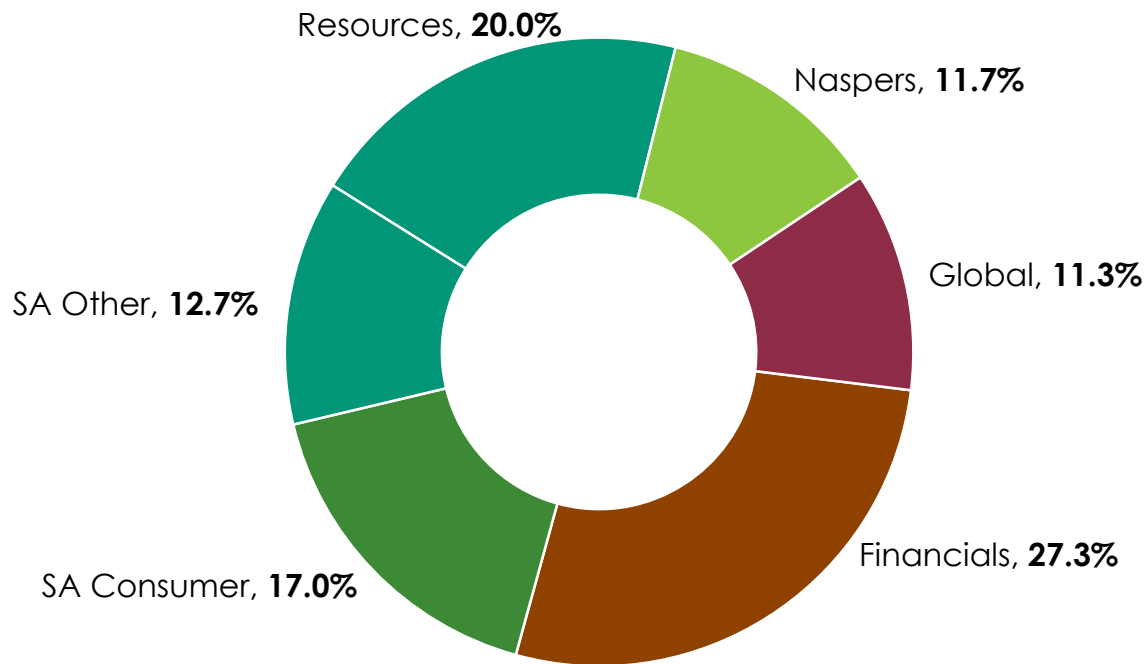




## Valuation: Price to book ratio







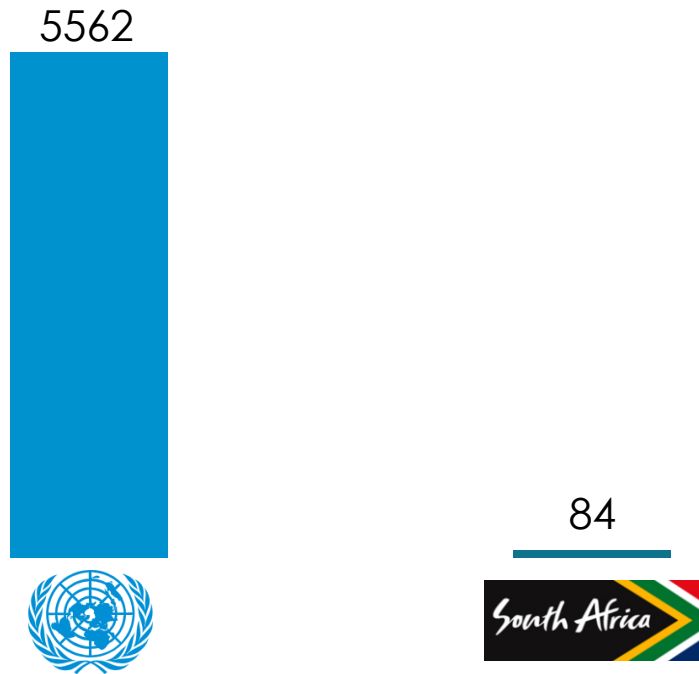


## Real platinum price





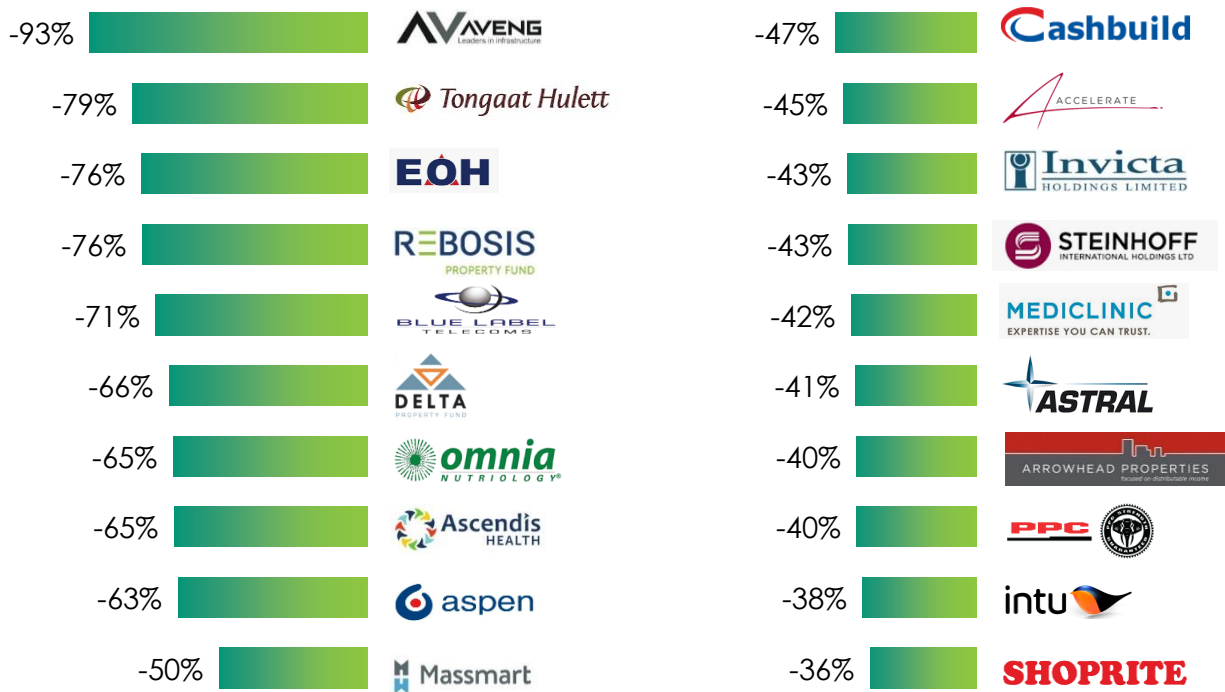
Shares with a market capitalization of > U\$1 bn





# LANDMINES APLENTY

Biggest share price declines over the last year

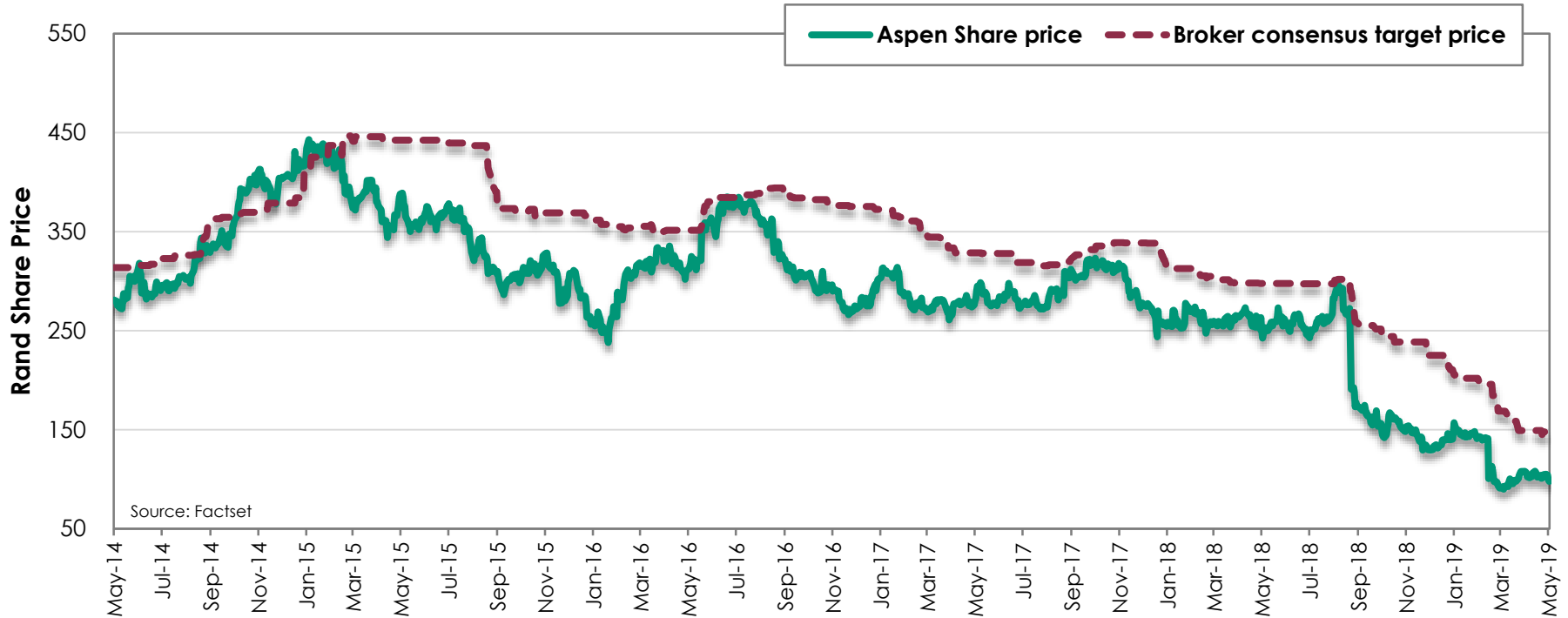


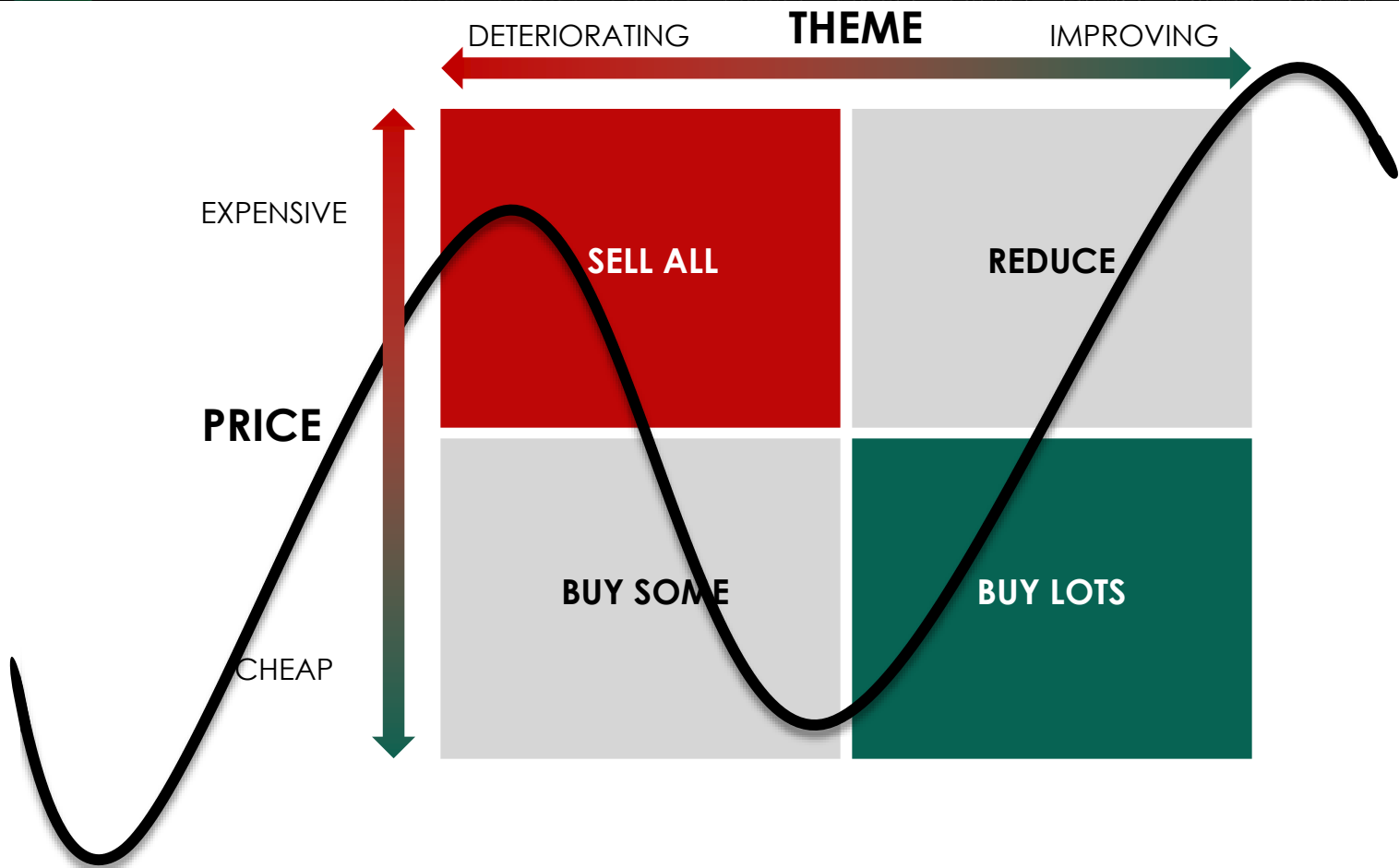




# VALUATION: NOT MUCH OF A LANDMINE DETECTOR

## Aspen share price versus Broker consensus target price









Valuation works in the **long run**



**BUT** ... it works badly with asset allocation

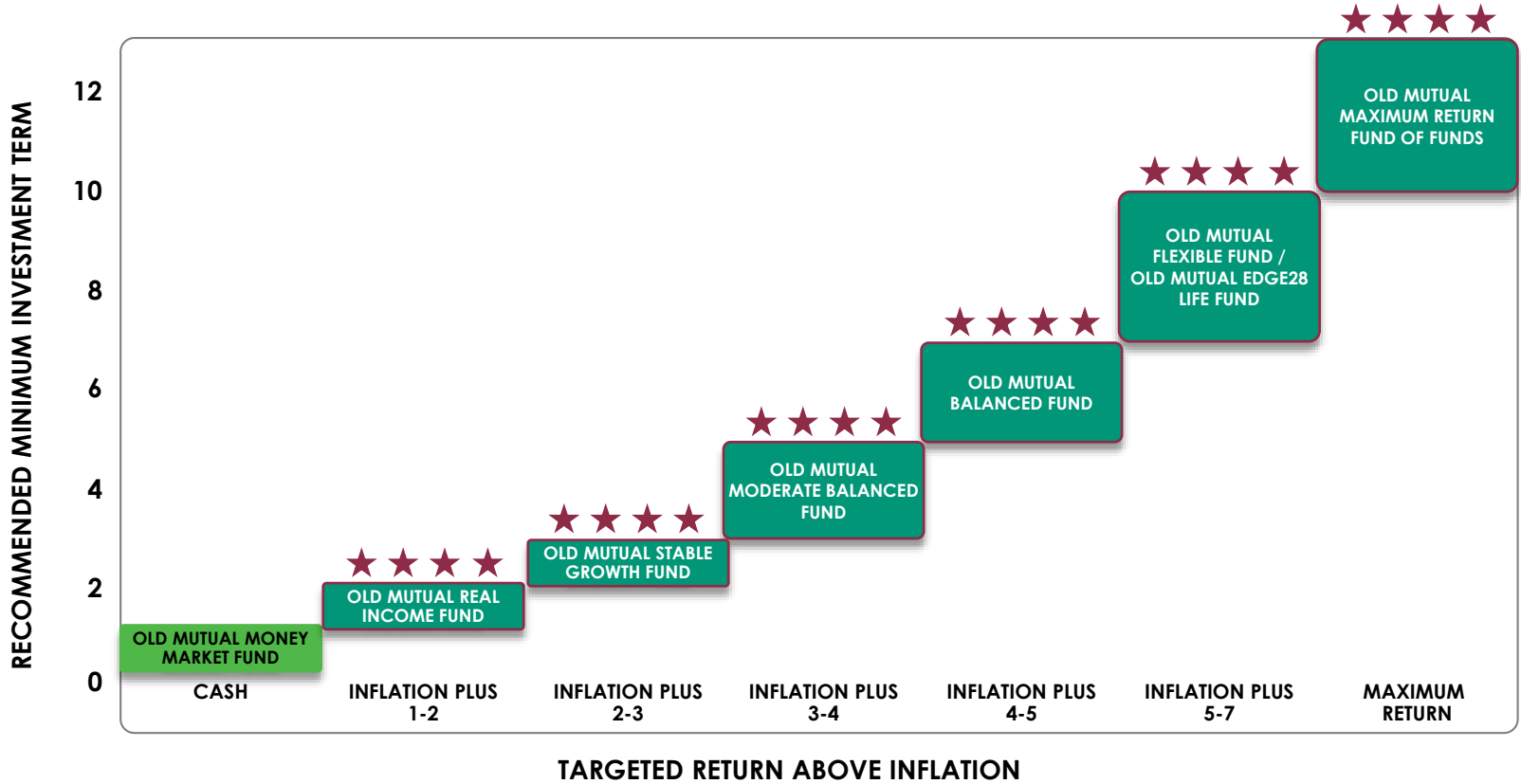
**AND** ... it works badly in South Africa



Therefore, a more pragmatic,  
**two-dimensional approach** is required



# OLD MUTUAL MULTI-ASSET CLASS RANGE



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THANK YOU



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## Old Mutual Investment Group (Pty) Ltd

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Fund	Rolling 12month returns			Inception Date
	Highest	Average	Lowest	
Old Mutual Maximum Return Fund	23.6%	8.4%	-6.7%	01/07/2013
Old Mutual Flexible Fund	54.0%	13.8%	-26.9%	20/08/1996
Old Mutual Balanced Fund	45.5%	13.0%	-23.2%	01/03/1994
Old Mutual Moderate Balanced Fund	12.7%	5.4%	-0.2%	02/02/2015
Old Mutual Stable Growth Fund	18.6%	8.2%	-5.3%	01/07/2007





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A money market fund is not a bank deposit account. Its unit price aims to be constant but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13:00) 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 the case of abnormal losses, it can have the effect of reducing the capital value of the fund. The published yield is calculated using the average of the fund's previous seven days' net income (and assumes all income was reinvested). This figure is then annualised, which is the weighted average compound growth rate. Excessive withdrawals from the fund may place the fund under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. Income funds derive their income primarily from interest-bearing instruments as defined. The yield is a current yield and is calculated daily. A fund of funds is a portfolio that invests in other funds which levy their own charges, which could result in a higher fee structure for the fund of funds. Some funds hold assets in foreign countries and therefore may have risks regarding liquidity, the repatriation of funds, political and macro-economic situations, foreign exchange, tax, settlement, and the availability of information. Please contact us for risks specific to each country.

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