



OLD MUTUAL MANAGED ALPHA EQUITY FUND

APRIL 2019

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



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.

INVESTMENT MANDATE

The fund invests in equities listed on the JSE Securities Exchange (JSE). Derivatives may be used for efficient portfolio management purposes.

REGULATION 28 COMPLIANCE

The fund aims to achieve long-term inflation-beating growth, and therefore may hold a higher allocation to equities than what is allowed in terms of Regulation 28 of the Pension Funds Act. This fund is therefore not Regulation 28 compliant.

BENCHMARK*: FTSE/JSE Capped Shareholder Weighted Index (Capped SWIX)
 * Please note: The benchmark changed to the Capped SWIX effective 1 July 2017.

ASISA CATEGORY: South African – Equity – General

FUND MANAGER(S): Grant Watson, Saliegh Salaam & Warren McLeod
 (Old Mutual Customised Solutions (Pty) Ltd)

LAUNCH DATE: 23/12/1998

SIZE OF FUND: R2.1bn

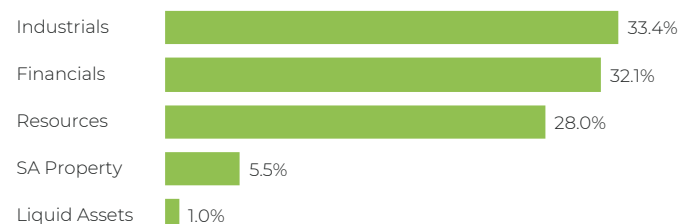
DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
31/12/2018	84.15c	17.56c	101.71c	1.24%
30/06/2018	22.47c	7.97c	30.45c	0.35%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



FUND PERFORMANCE AS AT 30/04/2019

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	-6.7%	0.2%	4.1%	9.2%	13.0%	13.8%
Fund (Class B) ²	-6.4%	0.6%	-	-	-	-
Benchmark*	-1.7%	3.8%	6.2%	10.6%	14.2%	15.8%

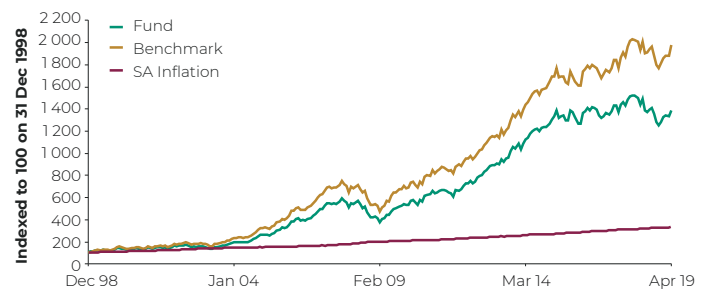
¹ Performance since inception of the fund.

² Inception: 31 January 2015. Class B1 Fund is only available through investment platforms such as Old Mutual Wealth.

Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Fund returns are net of fees and measured against the benchmark.

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	64.5%	14.8%	-31.5%

Performance Since Inception



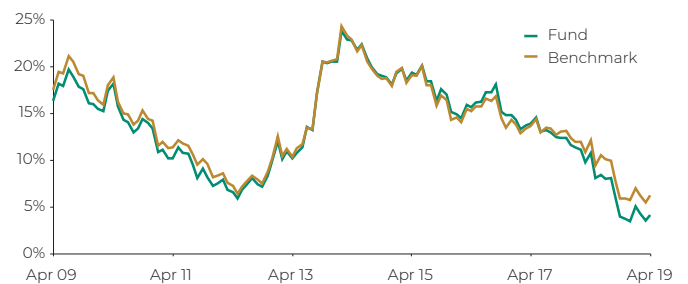
Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-36.3%
Months to Recover	20
% Positive Months	62.7%
Annual Standard Deviation	14.2%

Risk statistics are calculated based on monthly performance data from inception of the fund.

5-Year Annualised Rolling Returns (Fund vs Benchmark)



PRINCIPAL HOLDINGS AS AT 31/03/2019

HOLDING	% OF FUND
Naspers Ltd	10.1%
Sasol Ltd	6.0%
Standard Bank Group Ltd	5.4%
Anglo American Plc	4.7%
British American Tobacco	3.6%
FirstRand Ltd	3.6%
MTN Group Ltd	3.3%
BHP Group Plc	3.2%
Sanlam Ltd	3.0%
Nedbank Group Ltd	2.6%



OLD MUTUAL MANAGED ALPHA EQUITY FUND

APRIL 2019

FUND MANAGER INFORMATION



SALIEGH SALAAM |

PORTFOLIO MANAGER

- BCom, CFA Charterholder
- 22 years of investment experience



GRANT WATSON |

PORTFOLIO MANAGER

- BCom, MCom, MBA, CMMD, SAIS
- 23 years of investment experience



WARREN MCLEOD |

PORTFOLIO MANAGER

- BBusSc (Hons), BCom (Hons), MBusSc
- 19 years of investment experience

FUND COMMENTARY AS AT 31/03/2019

Local equities started the year on a good note, recording a monthly gain in January and the property index soaring after spending most of 2018 in negative territory. The local markets were literally in the dark owing to bouts of power cuts and were preoccupied with the Budget announcement in February. Despite all this local equities carried good momentum, recording another monthly gain; however, the property sector reversed some of the January gains. The last month of the quarter was good for most asset classes despite the electricity blackouts earlier in the month.

The FTSE/JSE Capped Shareholder Weighted Index (Capped SWIX) recorded a positive return, up 3.85% for the quarter ending March 2019. The industry sectors that performed well for the quarter were basic materials and consumer goods, delivering 18.04% and 12.38% respectively. The worst performing industry sectors, healthcare and industrials, were down 12.70% and 3.90%

respectively. The local currency marginally weakened against the greenback by 0.98%, weakened by 3.15% against pound sterling and strengthened by 1.26 % against the euro for the quarter ending March 2019.

We continue to focus on constructing a portfolio enabled to profit from the varying market themes. We strongly believe that it is different themes or factors that drive the market at a point in time. It is through this investment belief and rigorous risk management that we are able to maximise long-term capital growth. Current portfolio positioning shows prevalent sector tilt, with the resources sector preferred, hence an overweight specifically for basic materials. Medium- to long-term momentum or sentiment is attractive and our portfolio is positioned to benefit from momentum factors. We anticipate benefiting from a rise in long rates and gaining from companies cheap on cash flow to price.

Source: Old Mutual Investment Group as at 31/03/2019

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

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

INITIAL CHARGES (Incl. VAT)*:

There is no initial administration charge for investment transactions of R500 and above. Initial adviser fee will be between 0% and 3.45%. Investment transactions below the R500 fund minimum incur a 2.30% administration charge.

* Please note: Initial charges do not apply to the Class B funds.

ONGOING

	Class A	Class B1*
Annual service fees (excl. VAT)	1.35%	1.00%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth.

The fee is accrued daily and paid to the management company on a monthly basis. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

TAX REFERENCE NUMBER: 9218/095/18/1

ISIN CODES:	Class A	ZAE000135786
	Class B1	ZAE000199139

Total Expenses (Incl. Annual Service Fee)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	1.50%	1.13%	1.58%	1.18%
Performance Fee (included in TER)	0.09%	0.09%	-	-
Transaction Cost (TC)	0.33%	0.33%	0.43%	0.43%
Total Investment Charge	1.83%	1.46%	2.01%	1.61%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth.

Please note the annual service fees changed with effect from 1 January 2017 from performance based fees to flat fees. Historical performance fees were charged and will reflect in the fund's TER for 3 years from the date of service fee change. Historical performance fees were accrued daily and paid to the management company on a monthly basis (details on website). TER is a historic measure of the impact the deduction of management and operating costs has on a fund's value. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER, which includes the annual service fee, may not necessarily be an accurate indication of future TERs. Transaction Cost (TC) is a necessary cost in administering the fund and impacts fund returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of fund, the investment decisions of the investment manager and the TER.

Please note: The 36-month TER for the B1 Class Fund is due to higher performance fees for the past 12 months. Also, the B1 class only has a track record of between 12 and 36 months. The TER is annualised since inception.

Funds are also available via Old Mutual Wealth and MAX Investments.

Helpline 0860 234 234 Fax +27 21 509 7100 Internet www.omut.co.za Email unittrusts@oldmutual.com

We aim to treat our clients fairly by giving you the information you need in as simple a way as possible, to enable you to make informed decisions about your investments.

- We believe in the value of sound advice and so recommend that you consult a financial planner before buying or selling unit trusts. You may, however, buy and sell without the help of a financial planner. If you do use a planner, we remind you that they are entitled to certain negotiable planner fees or commissions.
- You should ideally see unit trusts as a medium- to long-term investment. The fluctuations of particular investment strategies affect how a fund performs. Your fund value may go up or down. Therefore, we cannot guarantee the investment capital or return of your investment. How a fund has performed in the past does not necessarily indicate how it will perform in the future.
- The fund fees and costs that we charge for managing your investment are disclosed in this Minimum Disclosure Document (MDD) and in the table of fees and charges, both of which are available on our public website or from our contact centre.
- Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained, free of charge, from Old Mutual Unit Trust Managers (RF) (Pty) Ltd, from our public website at www.omut.co.za or our contact centre on 0860 234 234.
- Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except the Money Market Funds, the price of which is set at 13:00. These are also the times we value our funds to determine the daily ruling price (other than at month-end when we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close). Daily prices are available on the public website and in the media.
- Unit trusts are traded at ruling prices, may borrow to fund client disinvestments and may engage in scrip lending. The daily ruling price is based on the current market value of the fund's assets plus income minus expenses (NAV of the portfolio) divided by the number of units on issue.
- The Net Asset Value to Net Asset Value figures are used for the performance calculations. The performance quoted is for a lump sum investment. The performance calculation includes income distributions prior to the deduction of taxes and distributions are reinvested on the ex-dividend date. Performances may differ as a result of actual initial fees, the actual investment date, the date of reinvestment and dividend withholding tax. Annualised returns are the weighted average compound growth rates over the performance period measured. Performances are in ZAR and as at 30 April 2019. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

Old Mutual Customised Solutions (Pty) Ltd is a Licensed Financial Services Provider.

Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

Issued: May 2019