



OLD MUTUAL INTEREST PLUS FUND

MARCH 2019

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund aims to deliver returns in excess of those offered by money market funds and similar levels of liquidity, without significantly increasing risk.

WHO IS THIS FUND FOR?

This fund suits risk-averse investors with a short-term investment horizon and who want yields in excess of those on money market investments, but also require high liquidity from their investment and cannot tolerate the higher risk associated with income funds.

INVESTMENT MANDATE

The fund is a specialist yield-enhanced money market portfolio that offers diversification, high liquidity and very low volatility by investing in money market and short-term debt instruments.

Compared to money market unit trusts, it will have a marginally higher risk exposure in order to provide yield enhancement. However, low volatility is a key criterion for this product. The maximum average duration of this fund is 365 days. Derivatives may be used for efficient portfolio management purposes.

REGULATION 28 COMPLIANCE

The fund does not comply with the asset allocation sublimits set out in Regulation 28 of the Pension Funds Act, and therefore the fund is not Regulation 28 compliant.

BENCHMARK:	Alexander Forbes Short Term Fixed Interest Index (STeFI)
PERFORMANCE TARGET:	STeFI + 0.75% over rolling one-year periods
Performance is targeted over the recommended minimum investment term and is not guaranteed.	
RISK OBJECTIVE:	No capital loss over any monthly period.
ASISA CATEGORY:	South African – Interest Bearing – Short Term
FUND MANAGER(S):	Michael van Rensburg (Futuregrowth Asset Management)
LAUNCH DATE:	03/10/2011
SIZE OF FUND:	R2.4bn

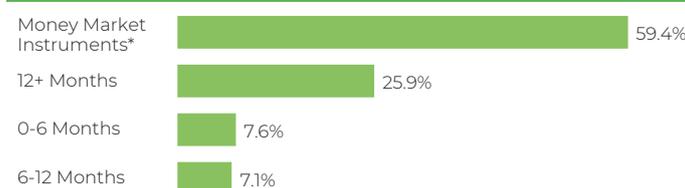
DISTRIBUTIONS: (Monthly)

Date	Interest	Yield
31/03/2019	1.32c	7.76%
28/02/2019	1.13c	8.03%
31/01/2019	1.25c	7.19%
31/12/2018	1.10c	7.14%
30/11/2018	1.36c	7.07%
31/10/2018	1.26c	7.06%
30/09/2018	1.21c	6.96%
31/08/2018	1.24c	6.99%
31/07/2018	1.25c	6.94%
30/06/2018	1.23c	7.06%
31/05/2018	1.28c	7.13%
30/04/2018	1.28c	7.14%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



* Money market instruments include cash, NCDs and treasury bills.

FUND PERFORMANCE as at 31/03/2019

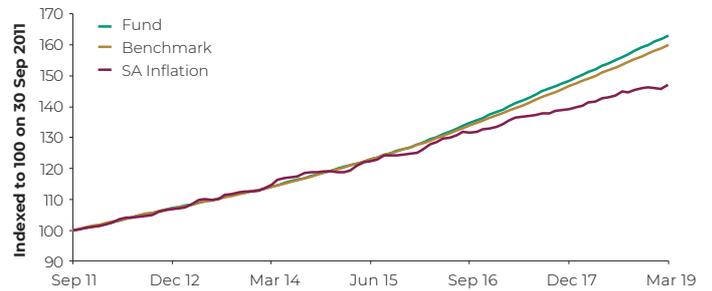
	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	7.7%	8.0%	7.4%	6.8%	-	6.7%
Fund (Class B1) ²	7.9%	8.2%	7.6%	-	-	-
Benchmark	7.2%	7.4%	7.0%	6.5%	6.6%	6.5%

¹ Performance since inception of the fund.

² Inception: 31 October 2012. 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)	8.4%	6.8%	5.0%

Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	0.0%
Months to Recover	N/A
% Positive Months	100.0%
Annual Standard Deviation	0.4%

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

1-Year Annualised Rolling Returns (Fund vs Benchmark)



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
FRJ22 FRN 07/03/2022	3.2%
Nedcor NCD 8.375% 03/10/2019	2.3%
ABSA NCD 8.45% 11/12/2019	2.3%
NBSRN36F 29/04/2019	2.1%
FSRJB111 FRN 19/02/2020	2.1%
STDJB152 FRN 19/12/2019	2.1%
FirstRand NCD 8.35% 07/01/2020	1.9%
STDJB156 FRN 13/02/2020	1.9%
FRJ20 FRN 20/09/2020	1.7%
SSO41UA FRN 29/05/2019	1.6%

THIS IS THE MINIMUM DISCLOSURE DOCUMENT AS REQUIRED BY BOARD NOTICE 92

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

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FUTUREGROWTH
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FUND MANAGER INFORMATION



MICHAEL VAN RENSBURG |
PORTFOLIO MANAGER

• BCom

committee meeting, which saw it maintain the repo rate at 6.75%.

Despite a second round of load shedding in March, the announcement at the end of the quarter by ratings agency Moody's to postpone its South African sovereign credit rating decision was viewed as positive by the market and led to a further contraction in the local negotiable certificate of deposit (NCD) rates. In light of these events, there was a notable flattening in the forward rate agreement (FRA) curve over the quarter – with the market now pricing in zero rate hikes/cuts over the next 12 months. At present, the spread between the 12-month and three-month JIBAR is at 101 basis points (bps).

Considering the recent narrowing in NCD rates, our preference has been for floating rate assets, which we have managed to pick at relatively attractive spreads. We will opportunistically look to purchase fixed rate assets, particularly in the six- and 12-month regions, at spreads that we feel

appropriate for the risk being taken. Although we remain active participants in the weekly Treasury bill auctions, the spread between Treasury bills and bank NCDs has reduced, particularly in the front end of the curve, and we will look to acquire these assets when the need arises.

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

FUND COMMENTARY as at 31/03/2019

The beginning of the quarter saw the domestic market weaken, following an announcement by Eskom that it would require a bail-out to continue its operations. This, together with a new round of load shedding, spurred both the currency and money market rates to depreciate towards the end of January. However, there was a shift in sentiment in February, with the markets reacting positively to the State of the Nation Address (SONA). In addition, news that the US Federal Reserve would not be hiking interest rates for the rest of the year, along with a benign local inflation outlook, resulted in the South African Reserve Bank taking a more dovish tone at its March monetary policy

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 0.69%.

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

ONGOING

	Class A	Class B1*
Annual service fees (excl. VAT)	0.55%	0.40%

* 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. 0.10% (excl. VAT) of this fee may be paid as an adviser fee for investments of more than R1 million. 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: 9002/001/60/1

ISIN CODES:	Class R	ZAE000020699
	Class B1	ZAE000048138

Total Expenses (Incl. Annual Service Fee)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	0.65%	0.48%	0.65%	0.48%
Transaction Cost (TC)	-	-	-	-
Total Investment Charge	0.65%	0.48%	0.65%	0.48%

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

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.

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

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FUTUREGROWTH

/ ASSET MANAGEMENT

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 31 March 2019. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

Futuregrowth Asset Management (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: April 2019