



FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund aims to offer superior returns over the medium to longer term by investing in companies with a market capitalisation smaller than the company with the lowest market capitalisation listed on the FTSE/JSE Large Cap Index (J205).

WHO IS THIS FUND FOR?

This fund is suited to investors seeking long-term capital growth by investing in a focused portfolio of mid- and small cap companies. These investors can tolerate stock market volatility.

INVESTMENT MANDATE

The fund invests in established companies with a market capitalisation smaller than the company with the lowest market capitalisation listed on the FTSE/JSE Large Cap Index (J205). The fund aims to achieve its performance objectives through superior share selection. Derivatives may be used for efficient portfolio management purposes.

REGULATION 28 COMPLIANCE

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

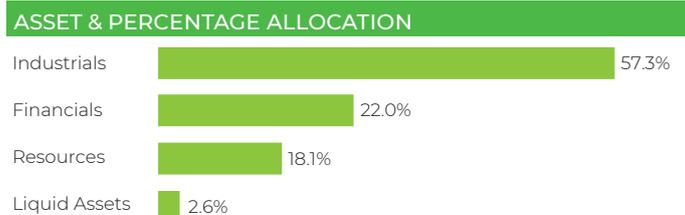
BENCHMARK:	ASISA Category Average
ASISA CATEGORY:	South African – Equity – Mid- & Small Cap
FUND MANAGER(S):	Kayaletu Nodada (Old Mutual Investment Group – Equities)
LAUNCH DATE:	30/04/1997
SIZE OF FUND:	R716m

DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
31/12/2019	21.77c	0.81c	22.58c	1.38%
30/06/2019	17.05c	1.27c	18.31c	1.19%

* Class A fund distributions

FUND COMPOSITION



FUND PERFORMANCE as at 31/12/2019

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class R)	4.3%	-3.9%	-0.3%	4.4%	9.1%	12.5%
Fund (Class A) ²	3.7%	-4.5%	-0.9%	3.8%	8.5%	-
Fund (Class B) ³	4.2%	-4.0%	-0.4%	-	-	-
Benchmark	2.9%	-3.5%	0.0%	3.9%	8.0%	10.3%

¹ Performance since inception of the fund.

² Inception: 31 July 2007

³ Inception: 31 July 2013. 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)	108.3%	14.2%	-40.3%

Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-52.2%
Months to Recover	43
% Positive Months	62.9%
Annual Standard Deviation	18.5%

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

5-Year Annualised Rolling Returns (Fund vs Benchmark)



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
Impala Platinum Holdings Ltd	6.7%
Reinet Investments SCA	5.1%
Italtile Ltd	4.6%
Reunert Ltd	3.8%
Raubex Group Ltd	3.6%
AngloGold Ashanti Ltd	3.4%
Rand Merchant Investment Holdings	3.3%
Mr Price Group Ltd	3.3%
Afrimat Ltd	3.2%
Santam Ltd	2.8%



FUND MANAGER INFORMATION



KAYALETHU NODADA |
PORTFOLIO MANAGER

- BCom (Hons), CA(SA)
- 6 years of investment experience

FUND COMMENTARY

The small cap and mid-cap indices ended the quarter up, returning 0.4% and 11.2%, respectively in the quarter ending 31 December 2019. The rand/US dollar exchange rate also ended the quarter stronger, gaining 8.8% against the US dollar.

Resources continued their good run for the year, driven by a variety of factors: the PGM basket reacting to increased global emissions standards, combined with an ongoing shortage in palladium, and the gold price regaining its status as a safe haven, amid global uncertainty driven by the US-China trade war. In the last quarter of 2019, Impala Platinum and Northam Platinum led the charge with share prices going up more than 40% in the quarter. We took our resources exposure

through Impala Platinum, Northam Platinum, AngloGold and Harmony Gold, which were up for the quarter.

We continued to see disappointing trading results from SA Inc companies. As the macro economy and the consumer remain under pressure, companies are struggling to recover their cost increases through price increases (revenue growth). An example was Invicta Holdings, which had company-specific drivers but also highlighted just how tough this economy continues to be.

However, it was not all doom and gloom for SA Inc. We mentioned in the previous quarter that Wilson Bayly Holmes-Ovcon's South African order book was starting to improve (albeit off a low base). Well, Raubex released an improving set of results, importantly highlighting a substantial increase in tender activity in South Africa. Our thesis of the last man standing is starting to play out in the construction industry.

Following an oversubscribed rights issue, Omnia released results that showed early signs of

stabilisation of the business, a focus on initiating a turnaround strategy and improving the capital structure of the business. As a result, this share has been a positive contributor to the performance of the fund this quarter.

We do believe that a recovery in South Africa will happen, but that it will be a long and slow process. We continue to position the portfolio to capitalise on the value, price the risk, and try to avoid as much of the uncertainty as possible.

Based on our forecasts, we believe that the Old Mutual Mid & Small-Cap Fund is trading on a forward price:earnings (PE) ratio of 9.8 times, and its rolling dividend yield is 3.9%.

Source: Old Mutual Investment Group as at 31/12/2019

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*	Class R
Annual service fees (excl. VAT)	1.50%	1.10%	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: 9318/002/60/8

ISIN CODES:	Class A	ZAE000097499
	Class B1	ZAE000179297
	Class R	ZAE000020772

Total Expenses (Incl. Annual Service Fee) (31/12/2019)	36 Months			12 Months		
	Class A	Class B1*	Class R	Class A	Class B1*	Class R
Total Expense Ratio (TER) Incl. VAT	1.75%	1.29%	1.18%	1.76%	1.30%	1.19%
Transaction Cost (TC)	0.23%	0.23%	0.23%	0.19%	0.19%	0.19%
Total Investment Charge	1.98%	1.52%	1.41%	1.95%	1.49%	1.38%

* 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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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.oldmutualinvest.com 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.
- Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher.
- 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 December 2019. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

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.

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