



INVEST WITH FAITH OLD MUTUAL ALBARAKA BALANCED FUND

JULY 2020

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund aims to offer investors an ethical investment that provides steady, long-term capital growth, as well as a moderate level of income via a portfolio that diversifies across asset classes and regional exposure. The Shari'ah Supervisory Board oversees adherence to the applicable Shari'ah principles. This fund specifically adheres to the standards of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as interpreted by the Shari'ah Supervisory Board.

WHO IS THIS FUND FOR?

This fund is suited to investors wanting moderate to high long-term growth from their Shari'ah compliant investment, with less volatility in the short term than pure equity. It is suitable as a stand-alone retirement investment.

NON-PERMISSIBLE INCOME

Incidental income deemed to be non-permissible is paid to the charitable trust elected by the Shari'ah Supervisory Board in line with the principles of Shari'ah and the supplemental deed of the fund. Non-permissible income does not form part of the investor's income.

INVESTMENT MANDATE

The fund is a Shari'ah compliant asset allocation fund that offers investors access to local and international asset classes including equity, liquid assets and non-equity securities, such as sukuks (Islamic bonds) and equity conduits. It may also invest in the portfolios of other unit trusts, both locally and those registered in countries with acceptable regulatory environments. This fund may invest up to 30% (with an additional 10% for African ex-SA investments) of its portfolio offshore.

REGULATION 28 COMPLIANCE

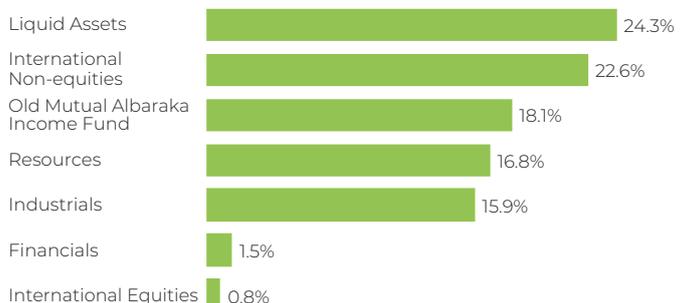
The fund complies with retirement fund legislation. It is therefore suitable as a stand-alone fund in retirement products where Regulation 28 compliance is specifically required.

COMPOSITE BENCHMARK:	45% Customised SA Shari'ah Equity Index, 10% S&P Developed Markets Large and Mid-Cap Shari'ah Index, 40% STeFI Composite – 0.5% p.a. & 5% Three-month US Dollar LIBOR			
PERFORMANCE TARGET:	To outperform the benchmark over rolling 3-year periods.			
ASISA CATEGORY:	South African – Multi-Asset – Medium Equity			
FUND MANAGER(S):	Maahir Jakoet & Saliegh Salaam (Old Mutual Customised Solutions (Pty) Ltd)			
LAUNCH DATE:	12/11/2010			
SIZE OF FUND:	R2.9bn			
DISTRIBUTIONS: (Half-yearly)*				
Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/06/2020	1.00c	2.26c	3.26c	1.10%
31/12/2019	0.71c	3.03c	3.74c	1.21%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



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

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

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

FUND PERFORMANCE AS AT 31/07/2020

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	0.8%	3.2%	4.3%	6.0%	-	6.5%
Fund (Class B1) ²	1.1%	3.5%	4.6%	6.3%	-	-
Benchmark	9.2%	7.4%	6.8%	7.9%	9.4%	9.1%

¹ Performance since inception of the fund.

² Inception: 31 July 2013. Class B1 fund is 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)	20.4%	7.0%	-8.7%

Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-11.5%
Months to Recover	N/A
% Positive Months	61.2%
Annual Standard Deviation	6.8%

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 30/06/2020

HOLDING	% OF FUND
MTN Group Limited	2.4%
BHP Group Plc	2.3%
Anglo American Platinum Ltd	2.0%
African Rainbow Minerals Ltd	1.6%
ABSA Ltd 9% 24/02/2021	1.6%
ABSA Ltd 8.8% 26/04/2021	1.6%
Adcock Ingram Holdings	1.6%
Netcare Ltd	1.5%
Mr Price Group Ltd	1.4%
Harmony Gold Mining Company Ltd	1.4%



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FUND MANAGER INFORMATION



MAAHIR JAKOET |

PORTFOLIO MANAGER

- BCom (Hons) UCT
- 6 years of investment experience



SALIEGH SALAAM |

PORTFOLIO MANAGER

- BCom, CFA Charterholder
- 23 years of investment experience

FUND COMMENTARY AS AT 30/06/2020

"It was the best of times, it was the worst of times, it was the age of wisdom, it was the age of foolishness... it was the spring of hope, it was the winter of despair..."

And so begins A Tale of Two Cities, written by Charles Dickens. This quote we believe aptly describes market behaviour over the quarter. If in early January, a sage was to have described to us what was to happen to the global economy in the first quarter, and then asked us to forecast where global markets would be, we would not

have estimated it would be at today's level. At the low point in March, the S&P 500 Index was down 34%. This was then followed by an even more dramatic rally of 40%. Over the space of a few weeks, US markets experienced one of the sharpest falls and swiftest recoveries ever since 1926, with the second quarter being the best performing in more than 20 years.

Looking at global stock markets today, it looks as if the pandemic did not happen. The S&P 500 is only slightly away from where it started 2020 prior to the global economic damage wrought by Covid-19. And yet, the world is fighting the largest pandemic in a century and the worst economic recession in the last 80 years. Markets are discounting a "V-shaped" recovery and investors have full faith in the power of the US Federal Reserve (the Fed). The World Bank recently published a paper in which, amongst others, it highlighted that the dispersion of global growth forecasts had reached historically wide ranges indicating that the range of global growth outcomes is wide. As investors, how we account for this uncertainty is to demand a wider margin of safety. Given the high valuations of markets, we do not believe there is sufficient margin of safety considering the significant uncertainties. This has caused us to focus on relative value, quality and balancing

cyclical vs defensive shares whilst retaining an overweight global stance. From a relative value perspective, our global portfolios are overweight to Europe and underweight to the US and we have a slight pro-cyclical stance driven by compelling valuations in Europe vs the US, as well as a more favourable backdrop for Europe given the European Recovery Plan coupled with flatter Covid-19 curves. Domestically, our portfolios are overweight to materials, in particular platinum, which should benefit from an improving global economy. Local economy focused shares are attractively valued relative to history and emerging markets, but given the challenging fiscal position SA finds itself in, we are focused on essential services/industries such as food, healthcare and logistics. We are overweight to gold given attractive free cash flow yields amidst a tailwind of rising global deficits, currency debasement and near-zero global interest rates. The fund also has maximum exposure to sukuku and is yielding approximately 8% over the next 12 months. This positioning we believe should serve investors well. For the quarter, some of the outperformers in our portfolio were Amplats, Harmony, BHP Billiton and Imperial, whilst laggards were Netcare and AECI.

Source: Old Mutual Investment Group as at 30/06/2020

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)	1.25%	1.00%

* Please note: The Class B1 fund is 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: 9242/164/18/5

ISIN CODES:	Class A	ZAE000135810
	Class B1	ZAE000179271

Total Expenses (Incl. Annual Service Fee) (31/03/2020)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	1.51%	1.23%	1.52%	1.23%
Transaction Cost (TC)	0.14%	0.14%	0.11%	0.11%
Total Investment Charge	1.65%	1.37%	1.63%	1.34%

* Please note: The Class B1 fund is 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.

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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.
- This fund holds assets in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macroeconomic situations, foreign exchange, tax, settlement, and the availability of information.
- 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 July 2020. 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.

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