Adviceworx

MSCI ESG RATINGS AA

CCC | B | BB | BBB | A | AA | AAA

Multi-Managed Solution

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ADVICEWORX OLD MUTUAL INFLATION PLUS 4 – 5% FUND OF FUNDS

May 2024

Adviceworx guides clients along their journeys in achieving lasting financial well-being. Our range of strategy funds is specifically designed and managed to match clients' Wealth strategy objectives. Our experienced investment team researches and selects asset managers and continually monitors the funds to ensure that they remain appropriate and efficient.

Inception date	April 2014
Investment manager	Adviceworx (Pty) Ltd FSPII Licence no. 44914
Benchmark	CPI
Performance target	CPI+4 – 5% over the minimum investment term and is not guaranteed
ASISA category	SA Multi-Asset – High Equity
Regulation 28	Compliant
Fund size	R2.8 billion
Tax reference number	1671/532/17/2

Risk profile

Cautious	Moderate	Moderate Aggressive	Aggressive	Maximum Return

Minimum investment term

2-3 Years	3-5 Years	5-7 Years	7-10 Years	10 Years +

Strategy objective

This is a multi-managed asset allocation fund that aims to produce returns of inflation plus 4-5%, net of fees, over a rolling 5 to 7-year time horizon.

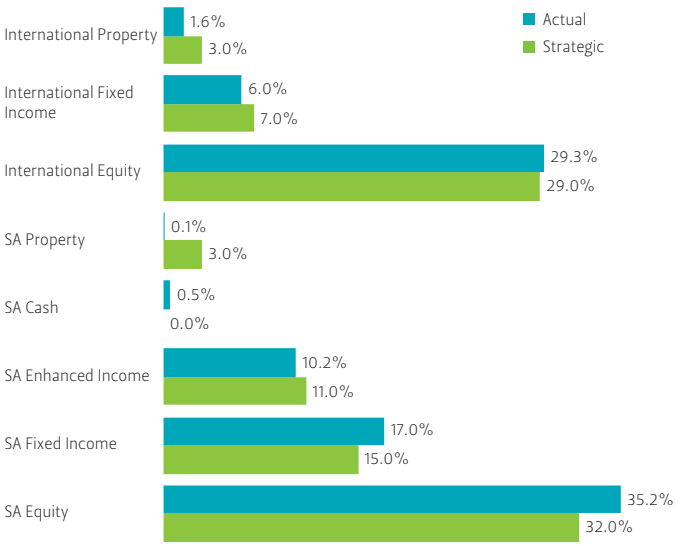
Investment universe

The strategy mainly invests in domestic and international collective investment scheme funds and exchange traded funds with exposure to domestic and international equities, fixed income, property and cash.

Underlying asset managers

SA Equity	M&G Investments; Coronation Fund Managers – Trust is Earned; Ninety One
SA Fixed Income	M&G Investments; Futuregrowth Asset Management; Coronation Fund Managers – Trust is Earned
SA Cash	Futuregrowth Asset Management
International Equity	Orbis; Old Mutual Investment Group; Ninety One; Federated Hermes; Harris Associates; Baillie Gifford; Montrusco Bolton
International Property	Resolution Capital; Catalyst; BlackRock
International fixed income	Ninety One; Stone Harbor Investment Partners; iShares by BlackRock; Morgan Stanley Investment Management

Asset allocation



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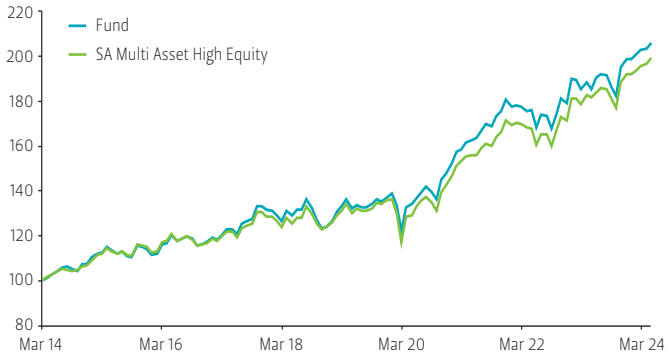
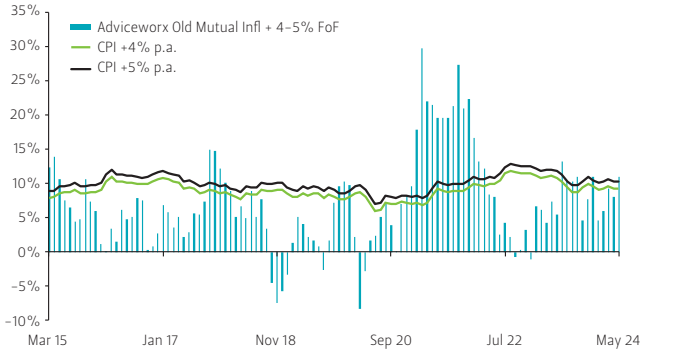
Cumulative investment performance



Source: Morningstar

12-Month rolling performance



Source: Old Mutual Multi-Managers

Market performance

	1 Month	3 Months	6 Months	YTD	1 Year	3 years
SA Equity	0.9%	6.9%	4.4%	1.5%	9.7%	7.5%
SA Bonds	0.8%	0.2%	1.8%	0.3%	13.0%	6.2%
SA Property	0.2%	-1.4%	13.6%	3.4%	20.3%	10.7%
SA Cash	0.7%	2.1%	4.2%	3.5%	8.5%	6.4%
International Equity	4.1%	2.0%	13.7%	12.3%	17.9%	17.4%
International Bonds	1.3%	-2.5%	0.1%	-0.4%	-4.3%	4.7%
International Property	3.4%	-1.3%	4.4%	-1.2%	2.0%	6.0%

Market returns: SA Capped Swix | ALBI |SAPY | Stefi | MSCI ACWI Index | Barclays Global Agg Bond | FTSE/EPRA Nareit

Portfolio performance

	Fund	CPI	CPI + 4%
1 Year	11.0%	5.2%	9.2%
3 Years	8.1%	6.0%	10.0%
5 Years	9.3%	5.1%	9.1%
7 Years	7.6%	4.9%	8.9%
10 Years	7.2%	5.0%	9.0%

Source: Morningstar

Rolling 12-month return

	Highest	Average	Lowest
Fund (since inception)	29.8%	7.1%	-8.2%

Monthly performance

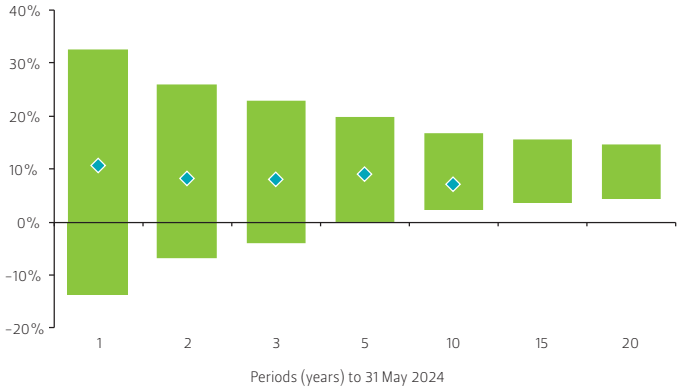
	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2020	1.64%	-3.80%	-8.59%	8.56%	1.05%	2.20%	1.93%	1.72%	-1.94%	-2.13%	6.32%	2.03%	**8.2%**
2021	2.94%	3.43%	0.71%	2.01%	0.68%	0.61%	1.92%	1.68%	-0.56%	2.76%	1.02%	3.16%	**22.3%**
2022	-1.72%	0.33%	-0.30%	-1.36%	0.29%	-4.41%	3.56%	-0.25%	-3.39%	3.79%	4.03%	-1.18%	**-1.0%**
2023	6.00%	-0.27%	-2.02%	1.62%	-1.55%	2.68%	0.88%	-0.30%	-2.83%	-2.21%	7.12%	1.90%	**11.0%**
2024	-0.06%	0.99%	1.04%	0.47%	1.11%								**3.6%**

Source: Morningstar

Top 10 equity exposure as at 31/03/2024

Holding	Sector	% of Fund
Naspers	Technology	3.4%
Prosus	Technology	2.4%
Richemont	Consumer Discretionary	1.6%
FirstRand	Financials	1.6%
Standard Bank	Financials	1.5%
Capitec	Financials	1.2%
Anglo American	Basic Materials	1.2%
Bidcorp	Consumer Staples	1.1%
Gold Fields	Basic Materials	1.0%
British American Tobacco	Consumer Staples	1.0%
		16.1%

Fund returns within expected range of returns *



* This is based on historical data using the strategic allocations per asset class for this investment strategy and the historical returns of each asset class. The bars show the range of returns (highest and lowest returns) experienced over each rolling investment terms over this period. IN other words, the longer the investment period, the smaller the difference between the highest and the lowest return, indicating reduced volatility. The strategic asset allocations of the investment strategies used in this analysis may not be the same as the actual allocations of the fund. The investment performance is for illustrative purposes and is calculated by taking the actual initial fees and all ongoing fees into account and income is re-invested on the reinvestment date

Fund Commentary

South African equities were positive in May with the FTSE/JSE Capped SWIX retuning 0.9% in the month. This left the 2024 return in positive territory while the one-year return of 9.7% benefits from a low base in 2023.

While the broad market was positive in the month, SA-focused shares sold off as the election results started trickling in, and the financials index ended May in negative territory, and down 5% for the year to date. However, a depressed base a year ago means the 12-month return is 21%.

The resources sector was marginally positive in the month and has gained 8% for the first five months of the year, but is still down 6% from a year ago. Industrials had a good month, returning 1.6%, but the one-year return is only 6.5%.

South African bonds were positive in May, despite selling off in the last two trading days due to the election surprise. The JSE All Bond Index returned 0.8%. The one-year return of 13% is somewhat flattered by a low base but is nonetheless ahead of cash (Stefi Composite) at 8.5%.

Listed property was flat in the month, but the 12-month return of 19.7% on the FTSE/JSE All Property Index (ALPI) is still ahead of other local asset classes.

The rand rallied ahead of the election but fell sharply when the results were released. As a result, it ended May virtually flat at R18.83 per dollar. This is 5% stronger than a year ago, but May 2023 was a particularly weak month for the currency and interest rate sensitive domestic assets.

Source: Old Mutual Multi-Managers as at 31 May 2024

Fees (VAT inclusive) (31/03/2024)	36 Month	12 Month
Total expense ratio (TER)	1.68%	1.64%
Transaction cost (TC)	0.11%	0.10%
Total Investment Charge (TIC)	**1.79%**	**1.74%**

Total expense ratio (TER) is a historical measure of the impact the deduction of management and operating costs have 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 should not be regarded as an indication of future TERs. Transaction Costs (TC) are costs relating to the buying and selling of the underlying managers' assets. TC are 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, investment decisions of the investment managers and the TER.

The TIC includes:

- Fund of funds service fee of 0.85% (excl VAT), which is inclusive of 0.55% (excl VAT) FSP11 investment management fees.
- Underlying fund's management fee, which is accrued daily and paid on a monthly basis (certain managers may charge performance fees).
- Other charges incurred by the underlying funds are deducted from their portfolios.
- As the weightings of the underlying funds may change from time to time, the total fees may vary.

Distributions (quarterly)	
For the last 12 months:	9.73c per unit
31/03/2024	4.87c per unit
31/12/2023	1.09c per unit
30/09/2023	2.71c per unit
30/06/2023	1.06c per unit

Disclosures

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.
- Investments in unit trusts should ideally be a medium- to long-term strategy that takes cognisance of the Recommended Investment Term of each individual fund as stipulated in its Minimum Disclosure Document. A fund's or an investment strategy's ability to provide benchmark performance, or to achieve its performance target over its Recommended Investment Term on a net of fee basis may be impacted by market illiquidity, differences in fund and market pricing points, concentration risk and other local (and where applicable global) events, such as market- and political developments, macro-economic factors and healthcare risks such as Covid-19, amongst others. Your fund value may therefore go up or down and the investment capital or return on your investment is not guaranteed. How a fund has performed in the past does not necessarily indicate how it will perform in the future.
- The fees and costs that we charge for managing your investment are disclosed in the relevant fund's Minimum Disclosure Document (MDD) or table of fees and charges, both available on our public website or from our contact centre.
- Additional information on this proposed investment can be obtained, free of charge, from our contact centre.
- Our cut-off time for client instructions (e.g. buying and selling) is at 15:00 each working day for all our funds, except for our money market funds, where the cut-off is at 12:30.
- The valuation time is set at 15:00 each working day for all our funds, excluding our money market funds which is at 13:00, 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 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. Daily prices are available from Old Mutual Unit Trusts or Adviceworx contact centres.
- Excessive daily withdrawals from the fund may place the fund under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and/or managed payouts over time may be followed.
- This fund holds assets in foreign countries and therefore it may have risks regarding liquidity, the repatriation of funds, political and macro-economic situations, foreign exchange, tax, settlement, and the availability of information.
- A fund of fund 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.
- Old Mutual Unit Trusts is the manager of this co-branded fund and has full legal responsibility for it.
- 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 May 2024. Sources: Morningstar and Old Mutual Wealth.
- MSCI ESG Research LLC's ("MSCI ESG") Fund Metrics and Ratings ("the information") provide environmental, social and governance data with respect to underlying securities within more than 31 000 multi-asset class mutual funds and ETFs globally. MSCI ESG is a registered investment adviser under the Investment Advisers Act of 1940. MSCI ESG materials have not been submitted to, nor received approval from the US SEC or any other regulatory body. None of the information constitutes an offer to buy or sell, or a promotion or recommendation of any security, financial instrument or product or trading strategy, nor should it be taken as an indication or guarantee of any future performance, analysis, forecast or prediction. None of the information can be used to determine which securities to buy or sell or when to buy or sell them. The information is provided "as is" and the user of the information assumes the entire risk of any use it may make or permit to be made of the information.

Adviceworx partnered with Old Mutual Unit Trust Managers (RF) (Pty) Ltd to create a range of co- branded collective investment scheme funds of funds underlying the investment strategies offered by Adviceworx to their clients. Adviceworx and OMUT are both part of the Old Mutual Wealth group.

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 Trusts has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate. Tel: 0860 234 234, Internet: www.omut.co.za, Email: unittrusts@oldmutual.com. Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

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