

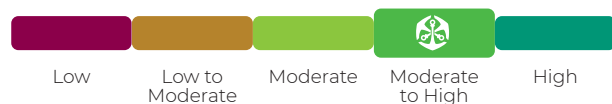


## INVEST WITH FAITH

## OLD MUTUAL ALBARAKA EQUITY FUND

## FUND INFORMATION

## RISK PROFILE



## RECOMMENDED INVESTMENT TERM



## BENCHMARK:

85% Customised SA Shari'ah Equity Index & 15% S&P Developed Markets Large and Mid-Cap Shari'ah Index

## ASISA CATEGORY:

South African – Equity – General

## LAUNCH DATE:

01/06/1992

## SIZE OF FUND:

R2.4bn

## DISTRIBUTIONS: (Half-yearly)\*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/06/2022	32.26c	0.84c	33.11c	1.36%
31/12/2021	20.85c	1.07c	21.92c	0.79%

\* Class A fund distributions

## TAX REFERENCE NUMBER:

9217/086/18/1

CODES	JSE	ISIN
Class A	STPF	ZAE000021713
Class B1	OMAEB0	ZAE000174199

## ESG FUND RATING

The environmental, social and governance (ESG) fund ratings are based on the exposure of the underlying assets held to industry-specific ESG risks and the ability to manage those risks relative to peers.

## FUND OBJECTIVE

The fund is strictly managed in accordance with Shari'ah (Islamic Law) and therefore does not invest in shares of companies whose core business involves dealing in alcohol, gambling, non-halaal foodstuffs or interest-bearing instruments. 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 with a long-term investment horizon seeking to maximise growth in a Shari'ah compliant fund. They are able to accept the risks associated with equity funds and also the mandate risk of a more limited investment universe.

## 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

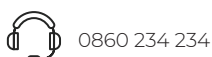
The fund is a Shari'ah compliant fund which provides investors with cost-effective access to a broad spectrum of local and international listed investments.

## 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.

## CONTACT DETAILS

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



0860 234 234



[www.oldmutualinvest.com](http://www.oldmutualinvest.com)



[unittrusts@oldmutual.com](mailto:unittrusts@oldmutual.com)



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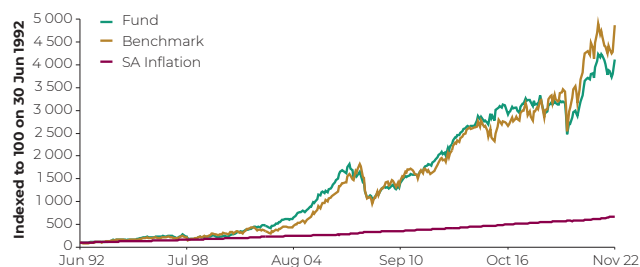


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## FUND PERFORMANCE AS AT 30/11/2022

## PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

5-YEAR ANNUALISED ROLLING RETURNS  
(FUND VS BENCHMARK)

% Performance (Annualised)						
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception <sup>1</sup>
Fund (Class A)	0.8%	9.0%	5.1%	5.5%	7.4%	13.0%
Fund (Class B1) <sup>2</sup>	1.3%	9.5%	5.5%	6.0%	-	-
Benchmark	3.5%	12.9%	9.6%	10.6%	10.1%	13.6%

<sup>1</sup> Performance since inception of the fund.

<sup>2</sup> Inception: 31 December 2012. Class B1 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)	60.4%	14.6%	-39.9%

## Risk Statistics (Since Inception)

Maximum Drawdown	-42.3%
Months to Recover	39
% Positive Months	61.9%
Annual Standard Deviation	15.4%
Sharpe Ratio	0.23

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

## FUND COMPOSITION

## ASSET &amp; PERCENTAGE ALLOCATION

Industrials	46.9%
Resources	26.5%
Old Mutual Global Islamic Equity Fund	24.4%
SA Property	1.6%
Liquid Assets	0.6%

## PRINCIPAL HOLDINGS AS AT 30/09/2022

Holding	% of Fund
Prosus NV	9.1%
Compagnie Financiere Richemont	4.0%
MTN Group Ltd	3.8%
Gold Fields Ltd	3.7%
Anglo American Plc	3.6%
Metair Investments Ltd	3.1%
Alviva Holdings Ltd	3.0%
BHP Group Ltd	3.0%
Mr Price Group Ltd	3.0%
South32 Ltd	2.9%



## INVEST WITH FAITH

## OLD MUTUAL ALBARAKA EQUITY FUND

## PORTFOLIO MANAGERS COMMENTARY AS AT 30/09/2022

OLD MUTUAL CUSTOMISED SOLUTIONS (PTY) LTD

**MAAHIR JAKOET**

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

**FAWAZ FAKIER**

- CFA, FRM, BCom honours (Finance)
- 16 years of investment experience

Globally, investors experienced mayhem as there were dramatic moves in numerous markets, which demonstrates the concerns as recession fears grow. Equity market returns in September were negative in the US and Europe. The MSCI World Index and the S&P 500 were down 6.6% and 5.3% respectively whilst the FTSE 100 was down 12.1% for the quarter ending September 2022.

We witnessed 300 basis points (bps) of interest rate hikes in the US this year. Higher inflation is persisting while the US Federal Reserve is playing catch-up as we saw 75bp hikes replacing 50bp hikes. There is a "higher for longer" expectation while the central bank frontloading theme is playing out. The impact of this should push the economy into recession, probably later than investors expect. The same story is playing out in Europe – however, with the additional energy crisis concern.

Chinese expectations regarding housing and fixed investment continue to weigh on expectations of any economic recovery.

Confidence is lacking in Chinese fiscal policy. As this is key to any economic recovery there is an upside risk.

Back at home, South African equities were no different due to the global effect, alongside electricity cuts taking their toll. The South African Reserve Bank (SARB) kept pace with an expected 75bp hike. Investors will now focus their attention on the Medium-Term Budget and the ANC's conference in the next few months. The All Share Index (ALSI) delivered negative 1.92% for the quarter ending September 2022.

Against this challenging backdrop, the fund returned a positive 0.7% for the year ending September 2022.

Globally, tighter fiscal conditions imply a risk-off environment with safe havens and tactical opportunities. The US government's preferred metric is PCE (personal consumption expenditures), which rose by 6.2% from a year ago in August. Interestingly, wages are not

keeping pace, as the hourly wage increased by 5.2%. Therefore, people are paying more but not making more. In saying that, shoppers would eventually reach their breaking point and just start buying essentials. This should lead to lower prices and slower economic growth.

Locally, we saw the South African Consumer Confidence Index (CCI) decelerate substantially. In addition, we do believe we are not at the end of the interest rate hiking cycle. This implies tighter wallets for consumers.

Companies with attractive free cash flow yields, pricing power, and healthy balance sheets have historically performed better through economic slowdowns and recessions.

We are confident that the portfolio is well positioned to navigate market uncertainty and create long-term wealth for our clients.

Source: Old Mutual Investment Group as at 30/09/2022

## OTHER INVESTMENT CONSIDERATIONS

**MINIMUM INVESTMENTS\*:**

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

\* These investment minimums are not limited to this fund. They can be apportioned across the funds you have selected in your investment contract.

**INITIAL CHARGES (Incl. VAT):**

Initial adviser fee will be between 0% and 3.45%.

**ONGOING**

	Class A	Class B1
Annual service fees (excl. VAT)	1.50%	1.10%

Please note: Class B1 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.

Total Expenses (Incl. Annual Service Fee) (30/09/2022)	36 Months		12 Months	
	Class A	Class B1	Class A	Class B1
Total Expense Ratio (TER) Incl. VAT	1.77%	1.31%	1.77%	1.31%
Transaction Cost (TC)	0.18%	0.18%	0.12%	0.12%
Total Investment Charge	1.95%	1.49%	1.89%	1.43%

Please note: Class B1 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.



## INVEST WITH FAITH

# OLD MUTUAL ALBARAKA EQUITY FUND

### DISCLAIMER

**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](http://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 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 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 30 November 2022. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).
- 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.

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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 Chartered Bank, PO Box 782080, Sandton 2146. Tel: +27 11 217 6600, Fax: +27 11 217 6642.

### CONTACT DETAILS

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



0860 234 234



[www.oldmutualinvest.com](http://www.oldmutualinvest.com)



[unittrusts@oldmutual.com](mailto:unittrusts@oldmutual.com)



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