

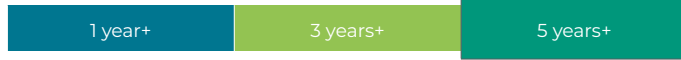


FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

This fund aims to achieve long-term inflation-beating growth. The fund has a growth asset bias and will invest more heavily in shares. The portfolio manager actively allocates to other asset classes to take advantage of changing market conditions and to manage the fund's volatility.

WHO IS THIS FUND FOR?

This fund is suitable for investors wanting moderate to high long-term growth, with less volatility in the short term than pure equity. It is suitable as a stand-alone retirement investment.

INVESTMENT MANDATE

The fund is exposed to all sectors of the market (shares, bonds and property) and may gain exposure to foreign assets up to a maximum of 30% of its portfolio (with an additional 10% for African ex-SA investments). Derivatives may be used for efficient portfolio management purposes.

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.

BENCHMARK:	CPI			
PERFORMANCE TARGET:	CPI + 4% to 5% p.a. (net of fees)			
Performance is targeted over the recommended minimum investment term and is not guaranteed.				
ASISA CATEGORY:	South African – Multi-Asset – High Equity			
FUND MANAGER(S):	Graham Tucker & Warren van der Westhuizen (Old Mutual Investment Group – MacroSolutions)			
LAUNCH DATE:	01/03/1994			
SIZE OF FUND:	R16.6bn			
DISTRIBUTIONS: (Half-yearly)*				
Date	Dividend	Interest	Total	Total %
30/06/2020	5.74c	12.02c	17.76c	1.18%
31/12/2019	8.67c	14.49c	23.16c	1.44%
* Class A fund distributions				

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION	
SA Equities	40.5%
International Equities	24.8%
SA Bonds	17.9%
SA Cash	5.9%
International Cash	5.3%
SA Property	2.3%
International Bonds	1.7%
Preference Shares	1.6%

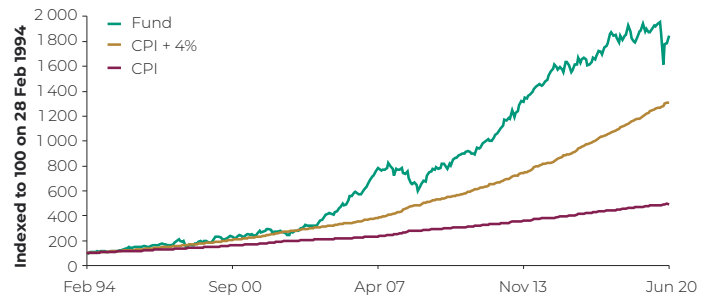
FUND PERFORMANCE AS AT 30/06/2020

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class R)	-2.8%	2.9%	3.2%	6.4%	9.0%	11.7%
Fund (Class A) ²	-3.2%	2.5%	2.8%	5.9%	8.4%	-
Fund (Class B1) ³	-2.8%	2.9%	3.2%	6.3%	-	-
Benchmark*	3.0%	3.9%	4.7%	4.9%	5.0%	6.2%

* The CPI figures are lagged by one month as the number was calculated before this month's inflation rate was released.
¹ Performance since inception of the fund.
² Inception: 30 June 2007.
³ Inception: 31 October 2012. 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)	45.5%	12.4%	-23.2%

Performance Since Inception



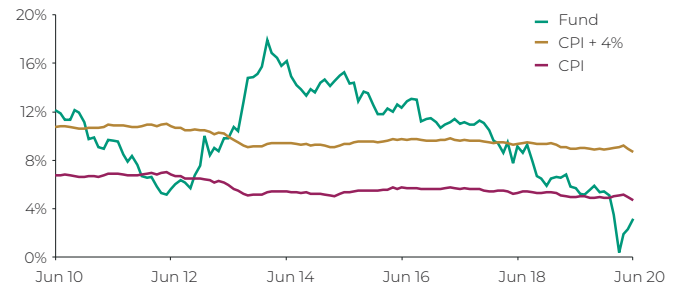
Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-29.1%
Months to Recover	17
% Positive Months	64.9%
Annual Standard Deviation	12.5%

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

5-Year Annualised Rolling Returns (Fund vs Benchmark/Performance Target)



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
R2032 8.25% 31/03/2032	6.2%
Naspers Ltd	4.3%
British American Tobacco	3.9%
R2035 8.875% 28/02/2035	3.8%
R186 10.5% 21/12/2026	3.6%
Prosus NV	3.5%
Anglo American Plc	3.0%
R2030 8.00% 31/01/2030	2.3%
Standard Bank Group Ltd	1.9%
Impala Platinum Holdings Ltd	1.8%



FUND MANAGER INFORMATION



GRAHAM TUCKER | PORTFOLIO MANAGER

- BSc Actuarial Science (Hons), CFA
- 19 years of investment experience



WARREN VAN DER WESTHUIZEN | PORTFOLIO MANAGER

- BCom (Hons), CFA
- 19 years of investment experience

FUND COMMENTARY

In an extraordinary reversal of the previous quarter, global markets have rebounded from one of the fastest crashes of all time, with one of the fastest recoveries of all time. So while equities are still down a little bit year to date (YTD) there are a number of big winners. These are typically growth and technology orientated names, exemplified by the NASDAQ, which is up 12% in 2020. This rally has been delivered against the backdrop of the worst macroeconomic slowdown in living memory and more than 0.5m people dying from Covid-19. The reason markets have gone up is because policymakers have gone all in. On the fiscal side, the average budget deficit is forecast at 14% of GDP, while on the monetary policy side there have been more than 149 rate cuts this year.

South Africa has been no exception, with our Supplementary Budget released in June forecasting a deficit of 15.7%. The South African Reserve Bank (SARB)

has slashed rates by 275 basis points (bps) this year, taking the repo rate down to 3.75%, the lowest level since the 1970s. As a result, the Capped Shareholder Weighted Index (Capped SWIX), the most common equity benchmark, roared up 21.6% in the quarter. However, due to the massive fall in the first quarter, year-to-date returns are still down 10.7%. Interestingly, this is pretty much in line with the 12-month decline highlighting that all the damage took place in that first quarter. Local bonds also recovered their losses in the first quarter. However, flat YTD is a poor outcome in a global context, due to our downgrade to junk status.

We are very pleased that markets have recovered, for a number of reasons. Obviously, this helps mitigate the Q1 blow to our clients' wealth – and ours as we are invested alongside them. In addition, we bought equity across our range of solutions during the crash and afterwards. This was based on our better than expected long-term returns, and we did not expect to receive these returns in a quarter. However, some of the shares we purchased did phenomenally well, which highlights the benefit of active asset allocation. Finally, this rebound reaffirms our advice to investors to stick to their investment plan and not to panic in a crash. Typically, the best returns are found after the worst returns.

On a relative basis, we enjoyed a good second quarter, helped by the addition of equity at low prices. However, the recovery was not strong enough to offset a poor first quarter. We had built some holdings in South African mid-sized industrials on the basis of cheap valuations and decent operating models. Examples would be Pepkor Holdings, the best clothing retailer in the mass market, and Super Group, which has a great growth pipeline. These companies suffered in Q1 and have not rebounded as quickly as the market, reflecting the negative impact of South Africa's recession on their profits. We remain excited to own these shares and, with a little time, they will deliver superior returns going forward.

The fund delivered a double-digit return in the quarter, as equity markets rebounded sharply. This was driven by the exposure to both equities and the local bond

market. Returns were further enhanced as we actively increased equity exposure throughout the initial phase of this crisis. In addition, the fund has maintained an overweight position to local bonds, primarily on the back of extremely attractive valuations. Returns delivered by most asset classes over the longer term have been disappointing, resulting in poor returns at a fund level.

Although the impact of Covid-19 is likely to be felt for some time to come, the rapid fall in equity markets in March and the response from policymakers led us to allocate cash to local equities in March and in this quarter. We focused our buying on companies that we believe are well placed to survive this crisis and thrive – companies such as Naspers, Anglo American and Qulter, all of which have risen meaningfully since we bought them. Other additions include food retailers such as Pick n Pay and Shoprite. Importantly, the strength of the recovery has also allowed us to reduce our positions in companies that we've become more concerned about in recent months.

We've had an underweight position on US equity over the last year. While structurally we are comfortable with this position, we believed the nature of the crisis and the market sell-off would benefit US equity in the short term. However, given the expensive valuation of the US market, we didn't want to simply buy equity. As such, we converted the underweight position to a derivative structure that acts as insurance should the market correct again, but will allow us to benefit should the market move higher, as it has done.

These are clearly challenging times in many respects. From an investment perspective it's critical to look forward. Earnings will likely remain weak for some time – this is a known known. But how much of this is reflected in asset prices? Where can we gain exposure to an attractively valued asset that will emerge from this crisis largely unscathed, even possibly in a better position? These are the types of questions we're constantly asking ourselves in order to position your investment appropriately.

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.

TAX REFERENCE NUMBER: 9440/007/60/B

ISIN CODES:	Class A	ZAE000097424
	Class B1	ZAE000171096
	Class R	ZAE000020780

ONGOING

	Class A	Class B1*	Class R
Annual service fees (excl. VAT)	1.30%	0.95%	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. These include the fees and costs relating to underlying global asset class exposures, which range between 0.20% and 0.50% as the fee for equity exposures is typically higher than the fee for fixed income or money market exposures. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

Total Expenses (Incl. Annual Service Fee) (31/03/2020)	36 Months			12 Months		
	Class A	Class B1*	Class R	Class A	Class B1*	Class R
Total Expense Ratio (TER) Incl. VAT	1.63%	1.23%	1.29%	1.63%	1.23%	1.29%
Transaction Cost (TC)	0.10%	0.10%	0.10%	0.10%	0.10%	0.10%
Total Investment Charge	1.73%	1.33%	1.39%	1.73%	1.33%	1.39%

* 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.

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.
- 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 June 2020. 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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