



OLD MUTUAL BALANCED FUND

FUND INFORMATION

RISK PROFILE



RECOMMENDED INVESTMENT TERM



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)

LAUNCH DATE:

01/03/1994

SIZE OF FUND:

R24.0bn

DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
31/12/2024	10.96c	17.51c	28.47c	1.29%
30/06/2024	13.87c	16.64c	30.50c	1.46%

* Class A fund distributions

TAX REFERENCE NUMBER:

1062/110/25/7

CODES	JSE	ISIN
Class A	OMBFA	ZAE000097424
Class B1	OMBB1	ZAE000171096
Class R	OMSL	ZAE000020780

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

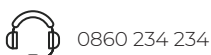
The fund is exposed to all sectors of the market (shares, bonds and property) and may gain exposure to foreign assets up to a maximum of 45% of its portfolio. Derivatives may be used for efficient portfolio management purposes.

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.

CONTACT DETAILS

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



0860 234 234



www.oldmutualinvest.com



unittrusts@oldmutual.com



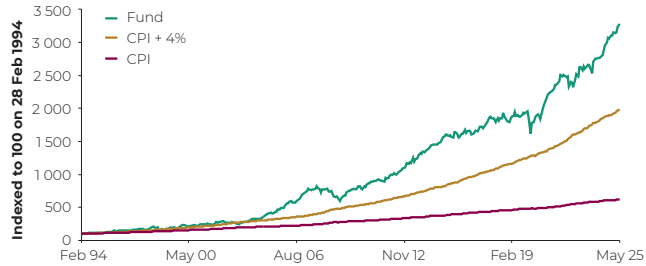
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OLD MUTUAL BALANCED FUND

FUND PERFORMANCE AS AT 31/05/2025

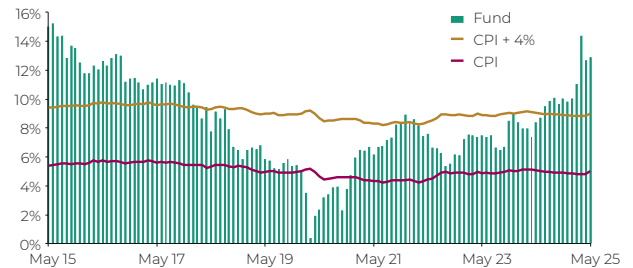
PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

5-YEAR ANNUALISED ROLLING RETURNS

(FUND VS BENCHMARK/PERFORMANCE TARGET)



% Performance (Annualised)						
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class R)	16.6%	9.8%	12.9%	8.8%	7.5%	11.8%
Fund (Class A) ²	16.2%	9.4%	12.5%	8.4%	7.1%	-
Fund (Class B1) ³	16.7%	9.9%	13.0%	8.9%	7.6%	-
Benchmark*	2.8%	4.9%	5.0%	4.6%	4.8%	6.0%

* 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 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%	12.2%	-23.2%

Risk Statistics (Since Inception)

Maximum Drawdown	-29.1%
Months to Recover	17
% Positive Months	65.9%
Annual Standard Deviation	11.9%
Sharpe Ratio	0.26

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

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION

SA Equities	46.5%
International Equities	19.2%
SA Bonds	16.8%
International Fixed Interest	8.5%
SA Property	5.4%
Liquid Assets	3.6%

PRINCIPAL HOLDINGS AS AT 31/03/2025

Holding	% of Fund
Naspers Ltd	4.1%
FirstRand Ltd	3.1%
R213 7.00% 28/02/2031	3.1%
Newgold Issuer Ltd	3.0%
Prosus NV	2.6%
Anheuser Busch Inbev SA NV	2.4%
R2037 8.50% 31/01/2037	2.3%
R2040 9.00% 31/01/2040	2.3%
R2030 8.00% 31/01/2030	2.3%
R2044 8.75% 31/01/2044	2.2%



OLD MUTUAL BALANCED FUND

PORTFOLIO MANAGERS COMMENTARY AS AT 31/03/2025

OLD MUTUAL INVESTMENT GROUP



GRAHAM TUCKER

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



WARREN VAN DER WESTHUIZEN

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

Relative to the end of 2024, the first quarter of 2025 marked a significant reversal of market expectations, as trade tensions dominated market sentiment after the Trump administration implemented wide-ranging tariffs targeting China, which extended to the US' traditional allies. US markets struggled, with the S&P 500 falling 4.6% and NASDAQ declining 10.4% in dollars, its worst start since 2018. US economic data showed cooling trends, with the Atlanta Fed GDPNow projecting a US real GDP quarter one contraction of 2.8% at the end of March. Volatility in the global tech sector intensified when Chinese AI startup DeepSeek released its cost-effective language model, triggering concerns about AI pricing. NVIDIA shares plunged approximately 20%, spreading weakness across the semiconductor sector.

In contrast, European and Chinese markets showed strength, with Europe and China up 10.7% and 15.0% (in dollars) year-to-date, respectively. Fiscal stimulus emerged as a surprise catalyst for European markets, as Germany announced a €500 billion infrastructure fund and increased defence spending, breaking previous fiscal rules. China also implemented stimulus, including wage increases for government workers and expanded consumer programmes. Noteworthy was that emerging markets outperformed developed markets for the first time since 2017, with the quarterly return of MSCI EM of +2.4% outpacing that of MSCI World, which delivered -2.1% (in dollars).

Commodities emerged as top performers over the quarter, with gold breaking through US\$3 000 to reach historic highs (+19% year-to-date). Copper gained 25% in quarter one, while Brent crude rose to US\$77.2/bbl. The US dollar weakened significantly with DXY down 3.2% in

March, as the euro strengthened 4.3% on fiscal stimulus announcements.

Domestically, the key policy news was that the budget failed to receive a GNU consensus, with the ANC and DA continuing to negotiate to reach a deal. In March, the MPC kept the key policy rate at 7.5%, as expected. In terms of domestic market performance, South African equities outperformed all asset classes with a total return of +5.9% year-to-date (in rand). Resources (+27.9%) significantly outperformed industrials, which returned +3.1%, while South African financials recorded a loss of 2%. Within resources, precious metals showed exceptional gains (+58.5% year-to-date), with companies like Harmony (+77%), Gold Fields (+67%), AngloGold (+67%) and Implats (+43%) delivering outstanding returns. South African equity laggards included energy (-13.9%), followed by consumer discretionary (-9.9%) and industrials (-8.3%). South African bonds only managed to eke out a total return of +0.7%, while property lost 3.5% over the quarter.

The fund delivered good returns in the quarter, attributable to the overweight position in South African equity and the underweight position in global equity. The fund has also built a position in gold, which contributed to the returns. Over the last year the fund has delivered good double digit absolute returns, which translates into a high single digit real return. The fund has benefitted from a meaningful exposure to South African bonds, which has returned 20% over the last year. Core positions in select smaller companies, together with well-timed trading within South African equity, notably on Anglo American and clothing retailers have contributed positively to the returns.

We continue to see more value in local assets than in their global counterparts. This is reflected in our preference for local bonds over global bonds and local property over global property. We remain overweight local equity though we have continued to shift the exposure from the SA Inc. names, such as banks, Mr Price and Super Group, into global-facing businesses, such as Anheuser-Busch, BidCorp and Reinet. We expect South Africa to deliver better growth going forward than it has done in the past decade but the positive sentiment around South Africa last year has yet to translate into a meaningful recovery in corporate earnings. Additionally, the recovery could be delayed due to the challenges within the GNU and the impact of policies under the new Trump administration.

The fund steadily reduced exposure to global equity, specifically US equity, during the quarter. The result being that the fund begins the second quarter with less global equity than usual. US equity valuations remain elevated, and the current policies being espoused are, in our view, likely to result in continued uncertainty and will ultimately negatively impact growth. An area where the uncertainty should manifest in capital expenditure growth – it is extremely difficult to justify massive expenditure when the future is as unclear as it is today. The reduction in global equity has seen an increase in safe havens, such as global cash and gold. The cash in the fund serves two purposes, namely, to act as a risk diversifier and to allow us to allocate to risk assets at more attractive levels in time.

As we enter the second quarter of the year, uncertainty remains a certainty. We believe the fund is well placed to weather this uncertainty and come out strongly on the other side.

Source: Old Mutual Investment Group as at 31/03/2025

OTHER INVESTMENT CONSIDERATIONS

ONGOING

	Class A	Class B1	Class R
Annual service fees (excl. VAT)	1.30%	0.95%	1.00%

Please note: Class B1 is available through investment platforms such as Old Mutual Wealth.

Class R is closed to new business.

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) (31/03/2025)	36 Months			12 Months		
	Class A	Class B1	Class R	Class A	Class B1	Class R
Total Expense Ratio (TER) Incl. VAT	1.60%	1.20%	1.26%	1.61%	1.21%	1.26%
Transaction Cost (TC)	0.09%	0.09%	0.09%	0.10%	0.10%	0.10%
Total Investment Charge	1.69%	1.29%	1.35%	1.71%	1.31%	1.36%

Please note: Class B1 is available through investment platforms such as Old Mutual Wealth.

Class R is closed to new business.

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.



OLD MUTUAL BALANCED FUND

MINIMUM INVESTMENTS

Monthly: R500
Lump sum: R10 000
Ad hoc: R500 (in addition to your monthly or lump sum investment)

LOW BALANCE CHARGE

Effective from 31 March 2025, a Prescribed Minimum Balance of R10 000 per fund per investment contract will apply. Failure to maintain the Prescribed Minimum Balance in any such fund will result in a Low Balance Charge* of R30 per month excluding VAT being incurred. However, if there is an existing monthly debit order of a minimum of R500 into each underlying fund within your investment contract, the Low Balance Charge will not apply. Please refer to the [link for a full disclosure](#) on how the Low Balance Charge will apply to your investments.

* This charge will not apply if investing via investment platforms such as Old Mutual Wealth.

INITIAL CHARGES (Excl. VAT):

Initial adviser fee will be between 0% and 3.00%.

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 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 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.
- 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 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 May 2025. Source: Morningstar.

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 Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887

CONTACT DETAILS

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



0860 234 234



www.oldmutualinvest.com



unittrusts@oldmutual.com



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