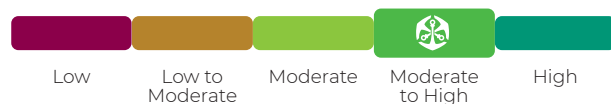




# OLD MUTUAL EQUITY FUND

## FUND INFORMATION

### RISK PROFILE



### RECOMMENDED INVESTMENT TERM



### BENCHMARK:

ASISA Category Average\*

\* The FTSE/JSE Capped SWIX Index is referenced for exposure management purposes.

### ASISA CATEGORY:

South African – Equity – General

### LAUNCH DATE:

28/02/2018

### SIZE OF FUND:

R4.7bn

### DISTRIBUTIONS: (Half-yearly)\*

Date	Dividend	Interest	Total	Total %
31/12/2022	2.47c	0.06c	2.53c	1.09%
30/06/2022	1.14c	0.04c	1.18c	0.54%

\* Class A fund distributions

### TAX REFERENCE NUMBER:

0058/339/30/0

CODES	JSE	ISIN
<b>Class A</b>	OMEQA	ZAE000255378
<b>Class B1</b>	OMEQB1	ZAE000255386
<b>Class R</b>	OMEA8	ZAE000273223

### 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 aims to offer long-term capital growth through investing in a broad spectrum of South African and international shares.

### WHO IS THIS FUND FOR?

This fund is suited to investors seeking long-term capital growth through exposure to a broadly diversified portfolio of South African and international shares. These investors can tolerate South African and international stock market volatility and exchange rate fluctuations.

### INVESTMENT MANDATE

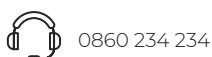
The fund invests in shares across all sectors of the South African and international stock market. The exposure to South African shares will focus predominantly on the top 100 shares by market capitalisation as listed on the FTSE/JSE All Share Index (J203). The offshore exposure is limited to 45% (including Africa) of its portfolio. The fund aims to achieve its performance objective through well-researched and superior share selection. Derivatives may be used for efficient portfolio management purposes.

### 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)



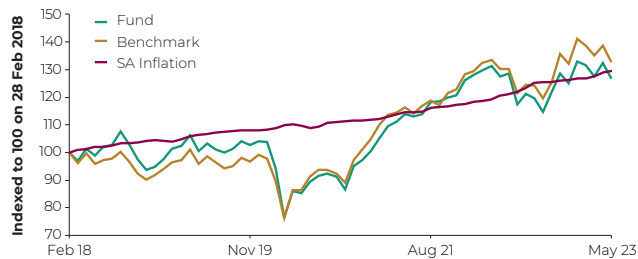
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# OLD MUTUAL EQUITY FUND

## FUND PERFORMANCE AS AT 31/05/2023

### PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

### Risk Statistics (Since Inception)

Maximum Drawdown	-29.0%
Months to Recover	13
% Positive Months	61.9%
Annual Standard Deviation	16.1%
Sharpe Ratio	-0.04

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

### % Performance (Annualised)

	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception <sup>1</sup>
Fund (Class A)	-1.4%	14.1%	5.1%	-	-	4.6%
Fund (Class B1) <sup>2</sup>	-1.0%	14.5%	5.5%	-	-	5.0%
Fund (Class R) <sup>3</sup>	-1.0%	14.5%	-	-	-	-
Benchmark	1.9%	15.5%	6.7%	5.2%	6.7%	5.5%

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

<sup>2</sup> Class B1 is available through investment platforms such as Old Mutual Wealth.

<sup>3</sup> Inception: 31 May 2019.

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)	43.0%	6.5%	-25.3%

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION

Industrials	37.2%
International Equities	25.2%
Financials	19.2%
Resources	16.8%
Old Mutual SA Quoted Property Fund	0.8%
Liquid Assets	0.8%

### PRINCIPAL HOLDINGS AS AT 31/03/2023

Holding	% of Fund
Prosus NV	5.9%
FirstRand Ltd	5.6%
ABSA Group Ltd	5.6%
British American Tobacco	5.2%
Naspers Ltd	4.1%
Standard Bank Group Ltd	4.0%
Anheuser Busch Inbev SA	3.6%
Sasol Ltd	2.9%
The Bidvest Group Ltd	2.7%
Glencore Plc	2.6%



# OLD MUTUAL EQUITY FUND

## PORTFOLIO MANAGERS COMMENTARY AS AT 31/03/2023

OLD MUTUAL INVESTMENT GROUP



### SIBONISO NXUMALO

- BCom (Hons), MBA (UCT)
- 17 years of investment experience



### NEELASH HANSJEE

- BCom (Hons), CA (SA)
- 15 years of investment experience



### ARTHUR KARAS

- BCom, CFA
- 29 years of investment experience

The Old Mutual Equity Fund underperformed its benchmark and ranked below the average of its peer group for the quarter and 12 months to the end of March 2023.

Relative to our competitors, we did very well in the post-Covid recovery, pivoting to a more defensive position during 2022, as we expected rising global interest rates to result in declining corporate profits. Consequently, the fund missed some of the recent rally. This pulled down our comparative returns.

The single biggest drag on the fund's performance during the quarter was the underperformance of Transaction Capital. Following years of contributing positively to performance, Transaction Capital announced a disappointing trading update, which resulted in a sharp share price decline. We had begun cutting our exposure to Transaction Capital

prior to the update but had simply not been selling aggressively enough. After the price fall, we reduced our remaining holding, as we believe that the company is vulnerable to a weakening SA consumer.

On the positive side, the fund gained from overweight positions in Bidvest, Anheuser-Busch and WBHO. When WBHO closed its Australian business over a year ago, we calculated that the market's negative reaction was excessive and avoided selling any of our holding. Subsequently, the share price has recovered most of its losses and we are positive on the company's prospects.

During the quarter, Old Mutual Equity Fund added to its gold mining holdings while reducing diversified miners. The fund has cut its holdings in smaller cyclical domestic companies that performed well in the post-

Covid recovery but are now facing a tougher environment. One exception is construction, where we have maintained our exposure, as renewable energy projects and road building should underpin profit growth.

Looking forward, the fund is positioned defensively, with overweight holdings in gold miners, food retail, brewers and tobacco. The fund is underweight to mining and cyclical consumer companies. Markets should remain volatile as they navigate rising interest rates and tightening liquidity globally, while load shedding is an additional domestic concern. We believe the fund is well placed for the months ahead.

Source: Old Mutual Investment Group as at 31/03/2023

## 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	Class R
Annual service fees (excl. VAT)	1.35%	1.00%	1.00%

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

Class R is closed to new business.

This 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, include audit, custodian and trustee charges and service fees of collective investment schemes in which the fund holds interests. These are included in the TER.

Total Expenses (Incl. Annual Service Fee) (31/03/2023)	36 Months			12 Months		
	Class A	Class B1	Class R	Class A	Class B1	Class R
Total Expense Ratio (TER) Incl. VAT	1.64%	1.23%	1.23%	1.63%	1.23%	1.23%
Transaction Cost (TC)	0.17%	0.17%	0.17%	0.13%	0.13%	0.13%
Total Investment Charge	1.81%	1.40%	1.40%	1.76%	1.36%	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. The TER and TC cannot be determined accurately for the funds that are less than one year old. Calculations are based on actual data where possible and best estimates where actual data is not available.



# OLD MUTUAL 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 31 May 2023. 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.

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.**



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