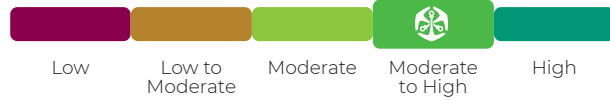




# OLD MUTUAL EQUITY FUND

## 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

### FUND MANAGER(S):

Siboniso Nxumalo, Meryl Pick & Arthur Karas  
(Old Mutual Investment Group)

### LAUNCH DATE:

28/02/2018

### SIZE OF FUND:

R4.6bn

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

Date	Dividend	Interest	Total	Total %
31/12/2023	1.97c	0.13c	2.10c	0.86%
30/06/2023	1.41c	0.07c	1.47c	0.61%

\* 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

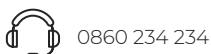
The fund invests in shares across all sectors of the South African and international stock market. The exposure to South African shares will focus predominantly on the top 100 shares by market capitalisation as listed on the FTSE/JSE All Share Index (J203). The offshore exposure is limited to 45% (including 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)



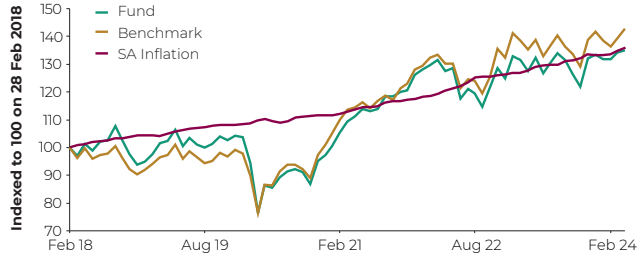
[Invest now](#)



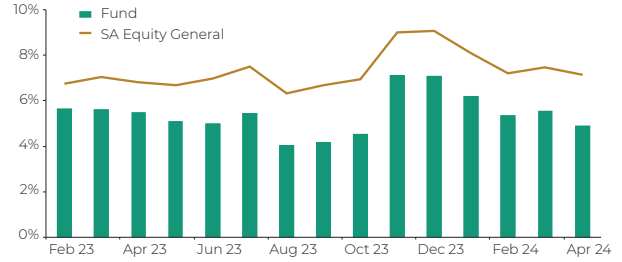
# OLD MUTUAL EQUITY FUND

## FUND PERFORMANCE AS AT 30/04/2024

### PERFORMANCE SINCE INCEPTION



### 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)	2.0%	6.7%	4.9%	-	-	5.0%
Fund (Class B1) <sup>2</sup>	2.5%	7.1%	5.3%	-	-	5.4%
Fund (Class R) <sup>3</sup>	2.5%	7.1%	-	-	-	-
Benchmark	2.9%	7.7%	7.1%	6.1%	5.6%	5.9%

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	43.0%	6.2%	-25.3%

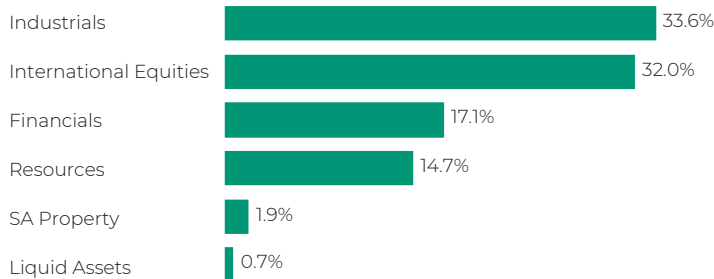
Risk Statistics (Since Inception)	
Maximum Drawdown	-29.0%
Months to Recover	13
% Positive Months	60.8%
Annual Standard Deviation	15.5%
Sharpe Ratio	-0.05

<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.

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

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION



### PRINCIPAL HOLDINGS AS AT 31/03/2024

Holding	% of Fund
Naspers Ltd	6.3%
Standard Bank Group Ltd	4.5%
FirstRand Ltd	4.4%
British American Tobacco	3.7%
Prosus N V	2.9%
ABSA Group Ltd	2.8%
Gold Fields Ltd	2.6%
Compagnie Financiere Richemont SA	2.4%
BHP Group Ltd	2.1%
Aspen Pharmacare Holdings Ltd	2.1%



# OLD MUTUAL EQUITY FUND

## PORTFOLIO MANAGERS COMMENTARY AS AT 31/03/2024

OLD MUTUAL INVESTMENT GROUP



### SIBONISO NXUMALO

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



### MERYL PICK

- BScEng (Chem), MBA
- 19 years of investment experience



### ARTHUR KARAS

- BCom, CFA
- 30 years of investment experience

The Old Mutual Equity Fund beat its benchmark for the quarter delivering a top quartile performance, and is above the mean of its peer group over 1 and 3 years to the end of March 2024.

Global risk assets continued their march upwards in the first quarter of 2024. While the rally has broadened, US and technology shares maintained their leadership. Nascent signs of improving activity, a good results season and improving financial conditions helped equity markets shrug off concerns around the stickiness of inflation. Oil prices rose, up 14% for the quarter, presenting a challenge to the pace of disinflation over the remainder of the year. The combination was unhelpful for global bonds, with the US 10-year Treasury yield rising by 30 basis points (bps) over the quarter. This resulted in global equities delivering 8% for the quarter, while global bonds were down 3% (both in US dollars).

Moderate rand weakness and poor domestic performance meant South African assets again lagged their global counterparts. Stagnant growth in China remained unhelpful, while domestic earnings were impacted by the myriad of electricity and logistics challenges, as well as a tough environment for consumers. Domestic bond yields continued to grind higher, ending the quarter back above 12%. This was despite a reasonable National Budget in February, as foreign investors remained absent while the asset class is well owned by local fund managers. The net result was similar outcomes for South African

bonds and equities, both down by 2% to 3% over the quarter in rands. Domestic property was a relatively bright spot. Having bottomed in the last quarter of 2024, the sector continued to rerate from depressed levels, ending the quarter up 4%.

The fund benefited strongly from its offshore equity investments in a quarter where global equity markets boomed. In the domestic equity portfolio, the fund remains defensively positioned in a high interest rate environment where the future direction of markets is primarily dependent on the timing of interest rate cuts. The Old Mutual Equity Fund has holdings in most of the quarter's top performing locally listed shares and sectors including gold miners, Capitec, Mr Price, Aspen and Richemont. After an extended period of disappointment British American Tobacco also delivered a strong contribution to the fund. The portfolio has been underweight to MTN for some time and has avoided much of the company's recent currency driven weakness. These positive attributions were outweighed by poor performance from the big four banking shares, which were negatively impacted by rising bond yields. Sasol was another detractor from performance as financial and operational concerns weighed on the share. Late in the quarter, the rising oil price spurred a bounce in the Sasol price, which has continued into the current month.

The fund has benefited in absolute terms from its holdings in gold miners but is slightly underweight to the index weighting. We believe

that the anticipated interest rate cuts in the US will potentially result in a weaker US dollar, a combination that has historically been positive for the gold price. Over the long term, gold mining companies have been a poor investment, so we are cautious about being overweight to such a volatile sector.

The Old Mutual Equity Fund continues to tilt away from local defensive sectors towards interest rate sensitive shares. Markets are likely to remain wary ahead of the local elections but easing interest rates later in the year should provide a boost to consumer confidence. The fund remains underweight to resources shares, a view that has supported performance over the past three years and is dependent on our outlook for the Chinese economy.

The start to the year has been stellar, driven by our global investments. While the performance of the domestic portfolio was disappointing, we have been gratified to see a number of our stock picks, including Aspen, MrPrice and Reunert, behave strongly in a tough local environment. This has provided some confidence that we are on the right track. Looking forward, we anticipate that investors will be guarded in the run-up to the election, before we can look forward to easier monetary policy later in the year. Global markets will stay on edge as the timing of rate cuts drives sentiment.

Source: Old Mutual Investment Group as at 31/03/2024

## OTHER INVESTMENT CONSIDERATIONS

### MINIMUM INVESTMENTS\*:

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

\* 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) (31/12/2023)	36 Months			12 Months		
	Class A	Class B1	Class R	Class A	Class B1	Class R
Total Expense Ratio (TER) Incl. VAT	1.64%	1.24%	1.24%	1.65%	1.25%	1.25%
Transaction Cost (TC)	0.15%	0.15%	0.15%	0.14%	0.14%	0.14%
Total Investment Charge	1.79%	1.39%	1.39%	1.79%	1.39%	1.39%

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.
- 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](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.
- 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.
- 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 April 2024. 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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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.**

