JUNE 2023

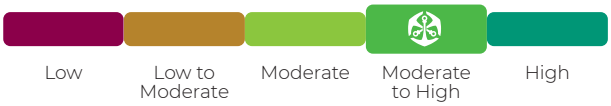
MSCI ESG RATINGS AAA

CCC | B | BB | BBB | A | AA | AAA

# OLD MUTUAL INVESTORS' 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:**

01/10/1966

**SIZE OF FUND:**

R10.7bn

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

| Date | Dividend | Interest | Total | Total % |
|---|---|---|---|---|
| 30/06/2023 | 434.89c | 23.13c | 458.02c | 1.06% |
| 31/12/2022 | 661.48c | 16.36c | 677.84c | 1.55% |

* Class A fund distributions

**TAX REFERENCE NUMBER:**

9430/021/60/1

| CODES | JSE | ISIN |
|---|---|---|
| **Class A** | OMIFA | ZAE000097473 |
| **Class A7** | OMIA7 | ZAE000217626 |
| **Class B1** | ODIB1 | ZAE000179289 |
| **Class B7** | OMIB7 | ZAE000217634 |
| **Class R** | OMTL | ZAE000020830 |

### 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 superior returns over the medium to longer term through investing in a broad spectrum of local instruments.

### WHO IS THIS FUND FOR?

This fund is suited to investors seeking long-term capital growth through a broadly diversified portfolio of shares. The investor can tolerate stock market volatility.

### INVESTMENT MANDATE

It invests in shares across all sectors of the stock market, focusing predominantly on the Top 100 blue-chip shares. The fund aims to achieve its performance objectives 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.**

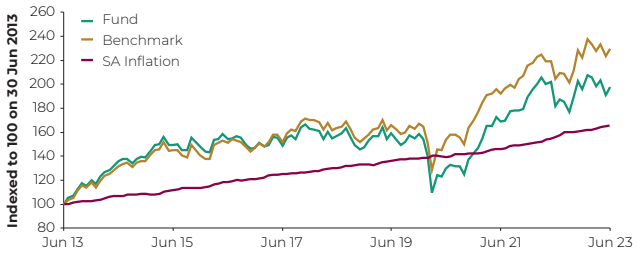
0860 234 234 | www.oldmutualinvest.com | unittrusts@oldmutual.com | Invest now

HOW TO READ AN MDD.

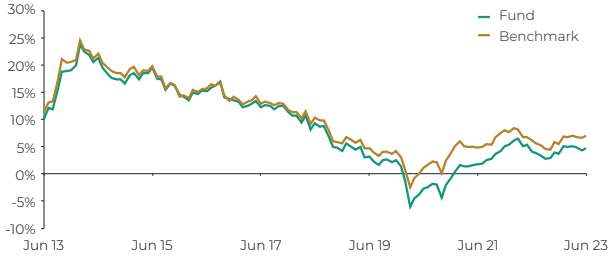
# OLD MUTUAL INVESTORS' FUND

## FUND PERFORMANCE AS AT 30/06/2023

### CUMULATIVE PERFORMANCE: 10 YEARS TO 30 JUNE 2023




### 5-YEAR ANNUALISED ROLLING RETURNS
(FUND VS BENCHMARK)




Past performance is no indication of future performance.

| | % Performance (Annualised) | | | | | |
|---|---|---|---|---|---|---|
| | 1-Yr | 3-Yr | 5-Yr | 7-Yr | 10-Yr | Since Inception[1] |
| Fund (Class R) | 8.6% | 15.0% | 4.8% | 3.6% | 7.1% | 15.6% |
| Fund (Class A)[2] | 8.2% | 14.6% | 4.3% | 3.2% | 6.6% | - |
| Fund (Class A7)[4] | 8.2% | 14.5% | 4.3% | 3.2% | - | - |
| Fund (Class B1)[3] | 8.6% | 15.0% | 4.8% | 3.6% | - | - |
| Fund (Class B7)[4] | 8.6% | 15.0% | 4.8% | 3.6% | - | - |
| Benchmark[5] | 12.2% | 14.3% | 7.0% | 6.1% | 8.7% | 16.9% |

[1] Performance since inception of the fund.
[2] Inception: 30 June 2007.
[3] Inception: 31 July 2013.
[4] Inception: 30 April 2016.
[5] Benchmark: SA – Equity – General sector from inception of fund to 30 Sept 2007. SWIX Index from 1 Oct 2007 to 30 June 2017. SA – Equity – General sector from 1 July 2017 to date.

Please note: Class B1 and B7 are 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.

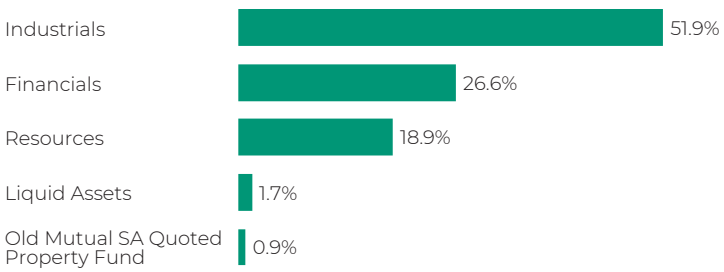
| Rolling 12-Month Return | Highest | Average | Lowest |
|---|---|---|---|
| Fund (Since Inception) | 96.0% | 18.2% | -45.7% |

| Risk Statistics (Since Inception) | |
|---|---|
| Maximum Drawdown | -51.9% |
| Months to Recover | 80 |
| % Positive Months | 63.2% |
| Annual Standard Deviation | 17.7% |
| Sharpe Ratio | 0.32 |

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

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION




### PRINCIPAL HOLDINGS

| Holding | % of Fund |
|---|---|
| Prosus NV | 8.2% |
| FirstRand Ltd | 7.7% |
| British American Tobacco | 7.0% |
| Naspers Ltd | 6.2% |
| ABSA Group Ltd | 5.9% |
| Standard Bank Group Ltd | 5.5% |
| Anheuser Busch Inbev SA NV | 4.2% |
| The Bidvest Group Ltd | 3.8% |
| Compagnie Financière Richemont | 3.5% |
| Sasol Ltd | 3.4% |

# OLD MUTUAL INVESTORS' FUND

## PORTFOLIO MANAGERS COMMENTARY

OLD MUTUAL INVESTMENT GROUP

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

**MERYL PICK**
- BScEng (Chem), MBA
- 18 years of investment experience

**ARTHUR KARAS**
- BCom, CFA
- 29 years of investment experience

The Old Mutual Investors' Fund underperformed its benchmark and ranked marginally below the average of its peer group for the quarter to the end of June 2023. The fund remains above the average of its peer group over three years.

FirstRand, Richemont and Remgro were the standout performers during the quarter while precious metal miners, both platinum and gold, weighed negatively on returns. Disappointingly, our global defensive holdings have continued to lag, notwithstanding a growing concern that higher policy rates will lead to a recession.

During the quarter, the fund added to its holdings of domestic clothing retailers. This might appear counterintuitive in a period when consumers are under pressure, but these companies tend to outperform once the South African Reserve Bank (SARB) stops hiking interest rates. We believe that we are getting closer to that point and expect that in coming quarters, the retailers will begin to lap the negative impacts of load shedding and cost of living pressures. Valuations of the clothing retail companies are also low, making them more attractive. The fund also purchased Mondi and Aspen. The paper price cycle appears to be close to a trough, which will benefit Mondi when it begins to turn up. Aspen has simplified its business and should see gains from investment in new productive capacity.

The first half of 2023 has been difficult for the fund. Defensive positioning has not paid off yet and a small number of stock-specific issues have disproportionately impacted performance. We have carefully reassessed our holdings, cutting or reducing counters where necessary and retaining those where conviction remains strong. We have also redoubled our risk management efforts to ensure that we are fully utilising all the tools at our disposal.

Looking forward, markets remain in a tough space, with a great deal of focus on the actions of central banks. As always, our objective is to be invested in those companies that will outperform and deliver good returns for our investors, without being distracted by some of the more impenetrable macroeconomic issues of the moment.

Source: Old Mutual Investment Group as at 30/06/2023

## 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 | Class A7 | Class B7 |
|---|---|---|---|---|---|
| Annual service fees (excl. VAT) | 1.35% | 1.00% | 1.00% | 1.35% | 1.00% |

Please note: Class B1 and Class B7 are available through investment platforms such as Old Mutual Wealth.
Class A7 and Class B7 are only available for tax-free investments.
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. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

| Total Expenses (Incl. Annual Service Fee) (31/03/2023) | 36 Months | | | | | 12 Months | | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Class A | Class B1 | Class R | Class A7 | Class B7 | Class A | Class B1 | Class R | Class A7 | Class B7 |
| Total Expense Ratio (TER) Incl. VAT | 1.57% | 1.16% | 1.16% | 1.57% | 1.16% | 1.57% | 1.16% | 1.16% | 1.56% | 1.16% |
| Transaction Cost (TC) | 0.21% | 0.21% | 0.21% | 0.21% | 0.21% | 0.16% | 0.16% | 0.16% | 0.16% | 0.16% |
| Total Investment Charge | 1.78% | 1.37% | 1.37% | 1.78% | 1.37% | 1.73% | 1.32% | 1.32% | 1.72% | 1.32% |

Please note: Class B1 and Class B7 are available through investment platforms such as Old Mutual Wealth.
Class A7 and Class B7 are only available for tax-free investments.
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 INVESTORS' 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 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.
- 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 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.

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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.**

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