



KEY FACTS

Launch Date:	July 2012
Product Vehicle:	Pooled, unitised fund policy as defined in the Long-term Insurance Act, 1988.
Target:	CPI + 5% over rolling three- to five-year periods
Benchmark*	Composite Asset Allocation Benchmark
Minimum Investment:	R10 million
Fees:	30bps

* The fund aims to track the components of the benchmark. Please refer to the table alongside for further details of the benchmark

INVESTMENT DESCRIPTION

The Balanced Index Fund is a fully diversified portfolio investing in a mix of local and offshore equities, listed property, interest bearing assets (including inflation linked bonds) and cash.

The fund invests in funds targeting the return of an index. Index funds offer the benefits of substantially lower fees and significantly reduce the uncertainty of fund performance relative to the market. Lower fees and efficient investment indexation processes minimise the tracking error on the overall returns.

INVESTMENT OBJECTIVE

Through a well-diversified mix of asset classes, this fund aims to deliver long-term growth while limiting the volatility in returns. The portfolio is Regulation 28 compliant and rebalanced, in line with its strategic allocation, in March every year. Rebalancing the portfolio annually keeps trading costs to a minimum while ensuring that the portfolio partakes in the intended combination of returns originating from each asset class. The fund has a long-term real return target of 5% (CPI+5%).

RISK CHARACTERISTICS

This is a moderate risk fund exposed to share price, interest-rate and currency fluctuations. A balanced, diversified portfolio across local and global asset classes helps lessen these fluctuations.

SUITABLE INVESTORS

This fund is suitable for investors wanting moderate to high long term growth with less volatility than pure equity.

INVESTMENT TEAM

The Fund is managed by the Indexation investment team within the Customised Solutions boutique.



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Portfolio Manager



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CONTACT DETAILS

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FUND PERFORMANCE AS AT 30/09/2019

Gross Composite Returns

	3-Months	1 Year	3 Years	5 Years	Since Inception
Fund	-0.9%	2.3%	4.7%	6.3%	9.9%
Benchmark*	-1.0%	2.2%	4.8%	6.3%	9.9%
Target: CPI+5%	2.3%	9.3%	9.8%	10.0%	10.3%

* The Fund aims to track the components of the benchmark.

Source: Old Mutual Investment Group

ASSET ALLOCATION AS AT 30/09/2019

Asset Class	Building Block/ Benchmark	Actual Asset Allocation
Domestic Equity excl. property	FTSE/JSECapped SWIX Index Fund	50.4%
Domestic Property	SA Listed Property Index Fund	5.4%
Domestic Bonds	All Bond Index Fund	7.4%
Domestic Inflation-linked Bond	Domestic ILB Index Fund	6.4%
Domestic Cash	OM Core Money Market Fund	5.8%
Domestic Total		75.5%
International Equity (MSCI)	MSCI ACWI ESG Index Fund	10.8%
International Equity (RAFI)	OM FTSE RAFI All World Index F	10.6%
International Bonds	Group-of-Seven (G7) Index	3.1%
International Total		24.5%

Source: Old Mutual Investment Group

BUILDING BLOCK RETURNS

1-year Annualised Returns	Fund	Benchmark	Differential
FTSE/JSECapped SWIX Index Fund	-2.6	-2.4	-0.1
SA Listed Property Index Fund	-2.9	-2.7	-0.2
All Bond Index Fund	11.3	11.4	-0.1
Domestic ILB Index Fund	3.7	3.7	-0.0
OM Core Money Market Fund	7.9	7.0	1.0
MSCI ACWI ESG Index Fund	11.1	10.8	0.3
OM FTSE RAFI All World Index F	4.7	5.0	-0.3
Group-of-Seven (G7) Index	16.1	16.7	-0.6

Source: Old Mutual Investment Group

TOP TEN SA EQUITY HOLDINGS AS AT 30/09/2019

Holding	JSE Code	Sector	% of SA Equity
Naspers N	NPN	Consumer Services	9.5%
Standard Bank Group	SBK	Financials	4.6%
Firststrand	FSR	Financials	4.0%
Anglo American Plc	AGL	Basic Materials	3.9%
Prosus	PRX	Consumer Services	3.6%
Mtn Group	MTN	Telecommunications	3.5%
British American Tobacco Plc	BTI	Industrials	3.3%
Sasol	SOL	Oil & Gas	2.9%
Sanlam	SLM	Financials	2.7%
Absa Group	ABG	Financials	2.2%
Total			40.2%

Source: Old Mutual Investment Group

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