



**KEY FACTS**

<b>Launch Date:</b>	May 2015
<b>Product Vehicle:</b>	Pooled, unitised fund policy as defined in the Long-term Insurance Act, 1988.
<b>Target:</b>	CPI + 3% over rolling three- to five-year periods
<b>Benchmark*</b>	Composite Asset Allocation Benchmark
<b>Minimum Investment:</b>	R10 million
<b>Fees:</b>	0.30% per annum

\* 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 Conservative 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 conservative growth with low 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 3% (CPI+3%).

**RISK CHARACTERISTICS**

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

**SUITABLE INVESTORS**

This fund is suitable for investors wanting conservative to moderate 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.



**BERNISHA LALA**  
Portfolio Manager



**FRANK SIBIYA**  
Portfolio Manager



**STANLEY BISHO**  
Investment Analyst

**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
Benchmark*	0.6%	5.7%	5.8%	-	5.7%
Target: CPI+ 3%	1.8%	7.3%	7.8%	-	8.0%

\* 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	25.6%
Domestic Property	SA Listed Property Index Fund	4.9%
Domestic Bonds	All Bond Index Fund	18.2%
Domestic Inflation-linked Bond	Domestic ILB Index Fund	9.4%
Domestic Cash	OM Core Money Market Fund	19.8%
<b>Domestic Total</b>		<b>78.0%</b>
International Equity (MSCI)	MSCI ACWI ESG Index Fund	7.2%
International Equity (RAFI)	OM FTSE RAFI All World Index F	7.1%
International Bonds	Group-of-Seven (G7) Index	7.8%
<b>International Total</b>		<b>22.0%</b>

Source: Old Mutual Investment Group

**BUILDING BLOCK RETURNS**

1-year Annualised Returns	Fund	Benchmark	Differential
FTSE/JSECapped SWIX Index Fund	-2.6	-2.4	-0.2
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	8.0	7.0	1.0
MSCI ACWI ESG Index Fund	11.1	10.8	0.3
OM FTSE RAFI All World Index F	4.6	5.0	-0.4
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%
<b>Total</b>			<b>40.2%</b>

Source: Old Mutual Investment Group

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