



**KEY FACTS**

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



**BERNISHA LALA**  
Portfolio Manager



**FRANK SIBIYA**  
Portfolio Manager



**ANELISA BALFOUR**  
Investment Analyst

**FUND PERFORMANCE AS AT 30/06/2020**

**Gross Composite Returns**

	3-Months	1 Year	3 Years	5 Years	Since Inception
Fund	15.8%	-2.4%	3.2%	4.1%	8.6%
Benchmark*	16.3%	-3.1%	3.0%	4.0%	8.6%
Target: CPI+5%	0.6%	7.1%	8.7%	9.5%	9.9%

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

Source: Old Mutual Investment Group

**ASSET ALLOCATION AS AT 30/06/2020**

Asset Class	Building Block/ Benchmark	Actual Asset Allocation
Domestic Equity excl. property	FTSE/JSECapped SWIX Index Fund	48.0%
Domestic Property	SA Listed Property Index Fund	6.6%
Domestic Bonds	All Bond Index Fund	6.7%
Domestic Inflation-linked Bond	Domestic ILB Index Fund	5.9%
Domestic Cash	OM Core Money Market Fund	5.5%
<b>Domestic Total</b>		<b>72.7%</b>
International Equity (MSCI)	MSCI ACWI ESG Index Fund	24.4%
International Bonds	Group-of-Seven (G7) Index	2.9%
<b>International Total</b>		<b>27.3%</b>

Source: Old Mutual Investment Group

**BUILDING BLOCK RETURNS**

1-year Annualised Returns	Fund	Benchmark	Differential
FTSE/JSECapped SWIX Index Fund	-11.0	-10.8	-0.3
SA Listed Property Index Fund	-39.3	-40.0	0.7
All Bond Index Fund	2.7	2.8	-0.1
Domestic ILB Index Fund	-3.2	-3.3	0.0
OM Core Money Market Fund	7.3	6.4	0.8
MSCI ACWI ESG Index Fund	29.7	28.4	1.2
OM FTSE RAFI All World Index F	N/A	11.7	N/A
Group-of-Seven (G7) Index	28.7	29.8	-1.1

Source: Old Mutual Investment Group

**TOP TEN SA EQUITY HOLDINGS AS AT 30/06/2020**

Holding	JSE Code	Sector	% of SA Equity
Naspers N	NPN	Consumer Services	10.6%
Prosus Prx	PRX	Consumer Services	4.8%
Anglo American Plc	AGL	Basic Materials	4.6%
British American Tob Plc	BTI	Industrials	4.4%
Firststrand Ltd	FSR	Financials	4.3%
Standard Bank Group Ltd	SBK	Financials	3.3%
Anglogold Ashanti	ANG	Basic Materials	3.2%
Sanlam Limited	SLM	Financials	2.5%
Bhp Group Plc	BHP	Basic Materials	2.5%
Mtn Group	MTN	Telecommunications	2.3%
<b>Total</b>			<b>42.4%</b>

Source: Old Mutual Investment Group

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