

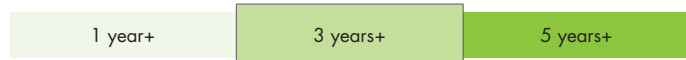
OLD MUTUAL STABLE GROWTH FUND

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

The fund aims to outperform inflation and provide a modest level of income while aiming not to lose money over any 18-month period. The portfolio manager actively manages asset allocation to take advantage of changing market conditions.

WHO IS THIS FUND FOR?

This fund is suited to investors who want their investment to grow in real terms and deliver a moderate level of income, with controlled risk of capital loss in the short term. It is typically suited to investors close to, or in retirement.

INVESTMENT MANDATE

The fund invests in cash, bonds, property and shares. The fund may invest up to 40% of its portfolio in equities. The fund may also gain exposure to foreign assets up to a maximum of 30% of its portfolio (with an additional 10% for African ex-SA investments). Derivatives may be used for efficient portfolio management purposes.

REGULATION 28 COMPLIANCE

The fund complies with retirement fund legislation. It is therefore suitable as a stand-alone fund in retirement products where Regulation 28 compliance is specifically required.

BENCHMARK:	CPI
PERFORMANCE TARGET:	CPI + 2% to 3% p.a. (net of fees) Performance is targeted over the recommended minimum investment term and is not guaranteed.
RISK OBJECTIVE:	This fund aims to avoid losses over rolling 18-month periods.
ASISA CATEGORY:	South African – Multi-Asset – Low Equity
FUND MANAGER(S):	John Orford & Alida Jordaan (Old Mutual Investment Group – MacroSolutions)
LAUNCH DATE:	01/07/2007
SIZE OF FUND:	R6.0bn

DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Interest	Total	Total %
30/06/2018	0.89c	5.55c	6.44c	2.05%
31/12/2017	0.73c	4.94c	5.66c	1.80%

* Class A fund distributions

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION

Asset Class	Percentage
SA Cash	30.6%
SA Equities	19.4%
Nominal Bonds	18.7%
International Equities	16.2%
SA Property	7.3%
Inflation-linked Bonds	4.0%
Preference Shares	2.8%
International Cash	1.0%

Funds are also available via Old Mutual Wealth and MAX Investments.

Helpline 0860 234 234 Fax +27 21 509 7100 Internet www.omut.co.za Email unitrusts@oldmutual.com

FUND PERFORMANCE as at 30/06/2018

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	8.4%	6.4%	7.7%	8.9%	8.6%	8.1%
Fund (Class B1) ²	8.8%	6.8%	8.1%	9.3%	9.0%	8.6%
Benchmark*	4.4%	5.3%	5.4%	5.5%	5.5%	6.0%

* The CPI figures are lagged by one month as the number was calculated before this month's inflation rate was released.

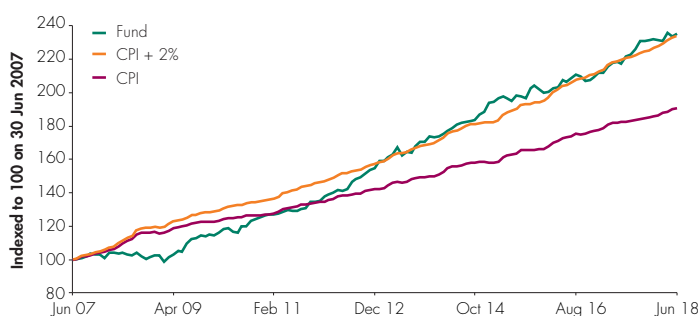
¹ Performance since inception of the fund.

² Class B1 Fund is only 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)	18.6%	8.5%	-5.3%

Performance Since Inception

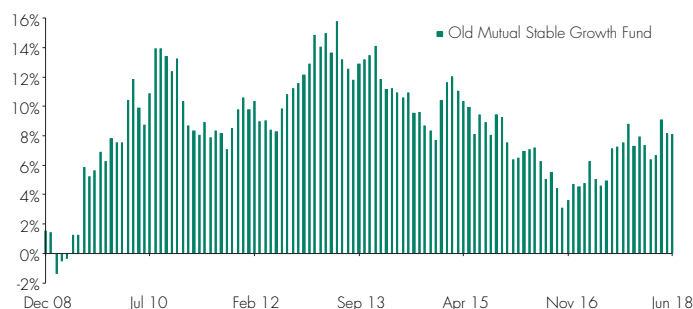


Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	-3.9%
Months to Recover	6
% Positive Months	74.2%
Annual Standard Deviation	4.3%

Risk Objective: Capital protection over 18 months



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
R186 10.5% 21/12/2026	4.1%
R212 2.75% 31/01/2022	3.7%
R2032 8.25% 31/03/2032	3.6%
R2035 8.875% 28/02/2035	2.5%
Naspers Ltd	1.9%
FirstRand NCD 8.105% 27/06/2019	1.8%
Nedcor NCD 8.1% 27/06/2019	1.8%
Standard NCD 8.075% 27/06/2019	1.8%
Absa NCD 8.05% 27/06/2019	1.8%
Investec NCD 8.25 27/06/2019	1.8%

OLD MUTUAL STABLE GROWTH FUND

FUND MANAGER INFORMATION



JOHN ORFORD

PORTFOLIO MANAGER

- BA Economic History (Hons), Postgraduate Dip (Quantitative Development Economics), MSc (Development Economics), MBA
- 15 years of investment experience



ALIDA JORDAAN

PORTFOLIO MANAGER

- B/Mus (Hons) (cum laude), MBA (cum laude), CFA
- 24 years of investment experience

FUND COMMENTARY as at 30/06/2018

The performance of investment markets during the second quarter of 2018 was all related to the US Federal Reserve (the Fed), the dollar and Trump's trade wars. Better growth in the US than in other parts of the world pointed to the Fed being likely to continue their hiking path perhaps faster than previously expected. The increasing cost of capital, dollar strength and Trump's trade tariff moves weighed on emerging market currencies and markets in particular. Precious metals were weaker, but geopolitical tensions saw the oil price firm considerably.

The negative impact of rand weakness, with rate hikes now more likely than further cuts, as well as disappointing local growth, saw South African investment markets come under pressure during the quarter. Bonds and quoted property were weaker, with yields kicking up and

locally orientated shares such as financials and retailers declining. It was essentially the strong performance of rand hedges Naspers, Sasol and the diversified miners that brought the FTSE/JSE Capped SWIX Index return back up to being close to flat.

In spite of the tough market conditions, the Stable Growth Fund delivered positive returns over the past quarter. In the very short term, being overweight to growth assets relative to its benchmark has detracted from performance, but over the last year the fund's return remains ahead of its target of beating inflation by 2% to 3%. The neutral local equity position showed returns in line with the Capped SWIX benchmark. Overweight positions in selected rand hedge counters like Sasol, Sappi, Mondi, Glencore and Anglos contributed to performance, while overweight positions in locally

focused companies, e.g. The Foschini Group and MPact, detracted from performance.

The fund is positioned to benefit from a recovery in growth assets, in particular local property, which is likely should the rand show some resilience. The level of the rand would partly depend on the strength of the US dollar, which will be determined to a large extent by the growth in the rest of the world. The direction of the US dollar has implications for the local currency and the capital and equity markets.

Source: Old Mutual Investment Group as at 30/06/2018

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

- Monthly: R500
- Lump sum: R10 000
- Ad hoc: R500

INITIAL CHARGES (Incl. VAT)*:

There is no initial administration charge for investment transactions of R500 and above. Initial adviser fee will be between 0% and 3.45%.

Investment transactions below the R500 fund minimum incur a 2.30% administration charge.

* Please note: Initial charges do not apply to the Class B funds.

ONGOING

	Class A	Class B1*
Annual service fees (excl. VAT)	1.30%	0.95%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth. 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. These include the fees and costs relating to underlying global asset class exposures, which range between 0.20% and 0.50% as the fee for equity exposures is typically higher than the fee for fixed income or money market exposures. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

TAX REFERENCE NUMBER: 9153/631/17/2

ISIN CODES:

Class A ZAE000097770
Class B1 ZAE000097788

Total Expenses (Incl. Annual Service Fee) (31/03/2018)	36 Months		12 Months	
	Class A	Class B1*	Class A	Class B1*
Total Expense Ratio (TER) Incl. VAT	1.61%	1.21%	1.60%	1.20%
Transaction Cost (TC)	0.06%	0.06%	0.05%	0.05%
Total Investment Charge	1.67%	1.27%	1.65%	1.25%

* Please note: The Class B1 Fund is only available through investment platforms such as Old Mutual Wealth.

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.

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Helpline 0860 234 234 Fax +27 21 509 7100 Internet www.omut.co.za Email unittrusts@oldmutual.com



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.omut.co.za 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 the Money Market Funds, the price of which is set at 13:00. These are also the times we value our funds 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.
- 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 2018. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

Old Mutual Unit Trust Managers (RF) (Pty) Ltd, registration number 1965 008 47107, is a registered manager in terms of the Collective Investment Schemes Control Act 45 of 2002. Old Mutual is a member of the Association for Savings and Investment South Africa (ASISA). Old Mutual Unit Trust Managers has the right to close the portfolio to new investors in order to manage it more efficiently in accordance with its mandate.

Trustee: Standard Bank, PO Box 54, Cape Town 8000. Tel: +27 21 401 2002, Fax: +27 21 401 3887.

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