MSCI ESG RATINGS A

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

OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

FUND INFORMATION

RISK PROFILE

Low | Low to Moderate | Moderate | Moderate to High | High

RECOMMENDED INVESTMENT TERM

1 year+ | 2 years+ | 3 years+ | 5 years+ | 7 years+

BENCHMARK:

STeFI Composite Index

ASISA CATEGORY:

South African – Interest Bearing – Short Term

FUND MANAGER(S):

Ntuthuzelo Magwentshu
(Futuregrowth Asset Management)

LAUNCH DATE:

31/08/2018

SIZE OF FUND:

R2.0bn

DISTRIBUTIONS: (Monthly)*

Date	Interest	Yield
30/11/2023	1.46c	8.14%
31/10/2023	1.50c	7.91%
30/09/2023	1.42c	7.75%
31/08/2023	1.46c	7.55%
31/07/2023	1.44c	7.34%
30/06/2023	1.41c	7.07%
31/05/2023	1.36c	6.83%
30/04/2023	1.31c	6.60%
31/03/2023	1.28c	6.36%
28/02/2023	1.22c	6.14%
31/01/2023	1.32c	5.90%
31/12/2022	1.27c	5.64%

* Class A fund distributions

TAX REFERENCE NUMBER:

9155/267/24/9

JSE	ISIN
OMITB2	ZAE000261749

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 deliver a regular income and to outperform corporate bank deposits over time, while preserving capital and maintaining a high level of liquidity.

WHO IS THIS FUND FOR?

This fund is suited to risk-averse institutional and corporate investors who do not want exposure to non-bank issued corporate debt, but who require a liquid short-term interest-bearing investment vehicle providing higher yields relative to a corporate call deposit bank account.

INVESTMENT MANDATE

The fund may, apart from having exposure to government issued non-equity securities and/or South African government guaranteed non-equity securities, only have exposure to South African domiciled bank-issued non-equity securities. These non-equity securities must have been issued by a bank which is a top five rated South African bank at the time of purchase of such non-equity security.

AA+(ZA)(f) GCR RATINGS www.GCRratings.com

The fund has a Global Credit Rating (GCR) of AA+. The next review date is 30 June 2024.

REGULATION 28 COMPLIANCE

The fund does not comply with the asset allocation sublimits set out in Regulation 28 of the Pension Funds Act, and therefore the fund is not Regulation 28 compliant.

CONTACT DETAILS

Funds are also available via Old Mutual Wealth.

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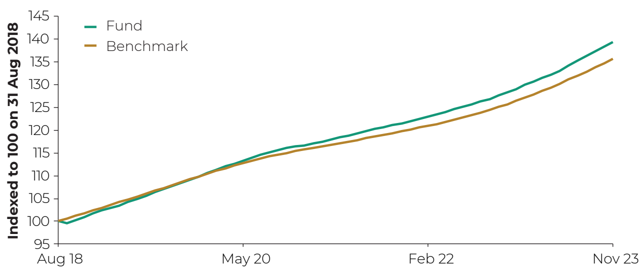
FUTUREGROWTH / ASSET MANAGEMENT

HOW TO READ AN MDD.

OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

FUND PERFORMANCE AS AT 30/11/2023

PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

Risk Statistics (Since Inception)	
Maximum Drawdown	-0.4%
Months to Recover	1
% Positive Months	98.4%
Annual Standard Deviation	0.7%

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

% Performance (Annualised)						
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception*
Fund	8.6%	6.2%	6.7%	-	-	6.5%
Benchmark	7.9%	5.5%	5.9%	6.3%	6.4%	6.0%

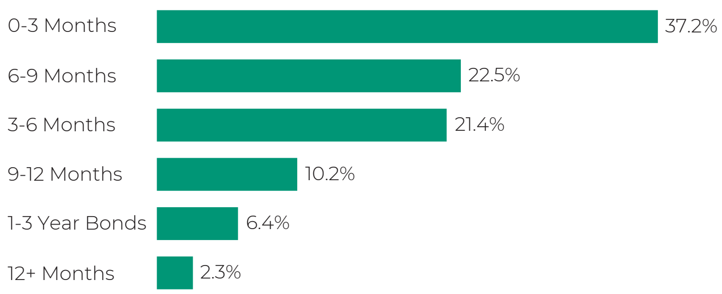
* Performance since inception of the fund.

Performance measurements over periods shorter than the recommended investment term may not be appropriate. Past performance is no indication of future performance. Please note: the Fund returns are net of the Total Investment Charges but exclude the fees institutional clients are charged who invest in the B2 class (0.00%).

Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	8.6%	6.3%	4.3%

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



ISSUER EXPOSURE AS AT 30/11/2023

Holding	% of Fund
Standard Bank of South Africa Ltd	22.3%
FirstRand Bank Ltd	19.6%
Nedbank Ltd	16.9%
ABSA Bank Ltd	16.9%
Republic of South Africa	15.4%
Investec Bank Ltd	8.9%

OLD MUTUAL INSTITUTIONAL SHORT-TERM INTEREST FUND

PORTFOLIO MANAGERS COMMENTARY AS AT 30/09/2023

FUTUREGROWTH ASSET MANAGEMENT

NTUTHUZELO MAGWENTSHU

- BSc Computer Science, BCom (Hons) Financial Analysis & Portfolio Management
- 13 years of investment experience

The repurchase rate remained unchanged at 8.25% during the third quarter of 2023, with the South African Reserve Bank continuously highlighting the risks of inflation remaining higher for longer, both locally and globally. Upside risks to rate expectations remained due to the persistently weaker currency, higher brent crude and higher food prices. In terms of what the market is pricing in, into year-end with respect to rate expectations, the forward rate agreement (FRA) market is currently pricing in some probability of another 25 basis points (bps) hike in November, with no cuts priced in over the next 18-month horizon at this point in time.

The 12-month JIBAR rate decreased over the period, ending the quarter at 9.275%. The difference between 12- and three-month JIBAR closed at 94bps for the quarter, which is a reduction in a spread as this closed at 110bps at the end of the previous quarter, indicating that the market is, at worst, not pricing in any further hikes post November this year. We believe that SA headline inflation will now remain higher for longer, with momentum in the disinflation theme remaining limited, and is currently very vulnerable to the rand price of oil.

Demand for treasury bills remained high, and there continues to be additional margin earned over bank negotiable certificates of deposits (NCDs) on average, except for the 12-month NCD. From August 2023, total treasury bill issuance was also increased further to R14.8 billion. Therefore, we have been selective on the term and have continued to buy where we see better value in terms of treasury bills relative to certificates of deposit.

Given our house view on where we are in the inflation cycle, we cautiously positioned the portfolio in the nine to 12-month area during the quarter – an overweight position to benchmark with respect to fixed rate exposure. We also purchased 12-month prime-linked exposure, to manage duration risk in the portfolio, as well as the upside risk we see to inflation and repo rates. We also continued purchasing listed credit for yield enhancement where supply and fund allowed. Where we could not purchase 12-month paper due to fund duration limits, we focused on the six- and nine–month fixed rate assets.

Source: Old Mutual Investment Group as at 30/09/2023

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

Lump sum: R20 million

ONGOING

	Class B2
Annual service fees (excl. VAT)	0.00%

Futuregrowth's institutional clients will access the 0.00% (zero) fee class of the fund. Other charges incurred by the fund, and deducted from its portfolio, are included in the TER of the fund. Futuregrowth will invoice its institutional clients a maximum of 0.25% ex VAT. These costs will include OMUT's platform fee and Futuregrowth's portfolio management fee and may include a referral fee payable to a financial adviser. These fees are calculated on NAV and are payable monthly in arrears.

Total Expenses (Incl. Annual Service Fee) (30/09/2023)	36 Months Class B2	12 Months Class B2
Total Expense Ratio (TER) Incl. VAT	0.02%	0.02%
Transaction Cost (TC)	0.01%	-
Total Investment Charge	0.03%	0.02%

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 INSTITUTIONAL SHORT-TERM INTEREST 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.
- Investments in unit trusts should ideally be a medium- to long-term strategy that takes cognisance of the Recommended Investment Term of each individual fund as stipulated in its Minimum Disclosure Document. A fund's or an investment strategy's ability to provide benchmark performance, or to achieve its performance target over its Recommended Investment Term on a net of fee basis may be impacted by market illiquidity, differences in fund and market pricing points, concentration risk and other local (and where applicable global) events, such as market- and political developments, macro-economic factors and healthcare risks such as Covid-19, amongst others. Your fund value may therefore go up or down and the investment capital or return on your investment is not guaranteed. 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.
- Excessive daily withdrawals from the fund may place the fund under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and/or managed payouts over time may be followed.
- 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 November 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.

Futuregrowth Asset Management (Pty) Ltd is a Licensed Financial Services Provider.

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.

CONTACT DETAILS

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