



INVEST WITH FAITH

OLD MUTUAL ALBARAKA BALANCED FUND

FUND INFORMATION

RISK PROFILE



RECOMMENDED INVESTMENT TERM



COMPOSITE BENCHMARK:

45% Customised SA Shari'ah Equity Index, 10% S&P Developed Markets Large and Mid-Cap Shari'ah Index, 40% STeFI Composite Index less 0.5% p.a. & 5% US Dollar 3-Month Cash Index

PERFORMANCE TARGET:

To outperform the benchmark over rolling 3-year periods.

ASISA CATEGORY:

South African – Multi-Asset – Medium Equity

FUND MANAGER(S):

Maahir Jakoet & Fawaz Fakier
(Old Mutual Investment Group)

LAUNCH DATE:

12/11/2010

SIZE OF FUND:

R5.3bn

DISTRIBUTIONS: (Half-yearly)*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/06/2024	2.18c	3.52c	5.71c	1.43%
31/12/2023	1.33c	4.02c	5.35c	1.38%

* Class A fund distributions

TAX REFERENCE NUMBER:

9242/164/18/5

CODES	JSE	ISIN
Class A	OMFA	ZAE000135810
Class B1	OMAB1	ZAE000179271

FUND OBJECTIVE

The fund aims to offer investors an ethical investment that provides steady, long-term capital growth, as well as a moderate level of income via a portfolio that diversifies across asset classes and regional exposure. The Shari'ah Supervisory Board oversees adherence to the applicable Shari'ah principles. This fund specifically adheres to the standards of the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI) as interpreted by the Shari'ah Supervisory Board.

WHO IS THIS FUND FOR?

This fund is suited to investors wanting moderate to high long-term growth from their Shari'ah compliant investment, with less volatility in the short term than pure equity. It is suitable as a stand-alone retirement investment.

NON-PERMISSIBLE INCOME

Incidental income deemed to be non-permissible is paid to the charitable trust elected by the Shari'ah Supervisory Board in line with the principles of Shari'ah and the supplemental deed of the fund. Non-permissible income does not form part of the investor's income.

INVESTMENT MANDATE

The fund is a Shari'ah compliant asset allocation fund that offers investors access to local and international asset classes including equity, liquid assets and non-equity securities, such as sukuku (Islamic bonds) and equity conduits. It may also invest in the portfolios of other unit trusts, both locally and those registered in countries with acceptable regulatory environments. This fund may invest up to 45% (including Africa) of its portfolio offshore.

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.

CONTACT DETAILS

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

0860 234 234

www.oldmutualinvest.com

unittrusts@oldmutual.com

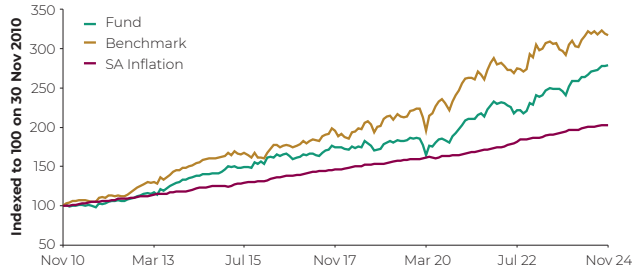
[Invest now](#)



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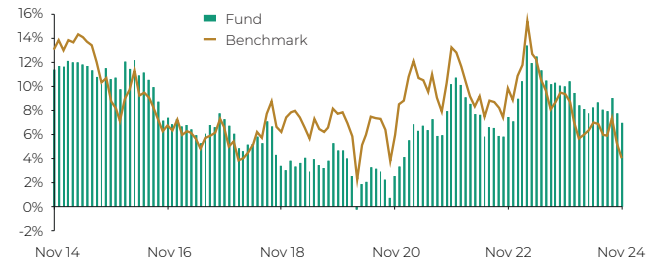
FUND PERFORMANCE AS AT 30/11/2024

PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

3-YEAR ANNUALISED ROLLING RETURNS (FUND VS BENCHMARK)



% Performance (Annualised)						
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	10.8%	7.0%	8.5%	6.9%	7.0%	7.6%
Fund (Class B1) ²	11.1%	7.3%	8.8%	7.2%	7.3%	-
Benchmark	4.1%	4.1%	7.5%	7.1%	7.0%	8.6%

¹ Performance since inception of the fund.

² Inception: 31 July 2013. Class B1 is 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)	26.6%	8.0%	-8.7%

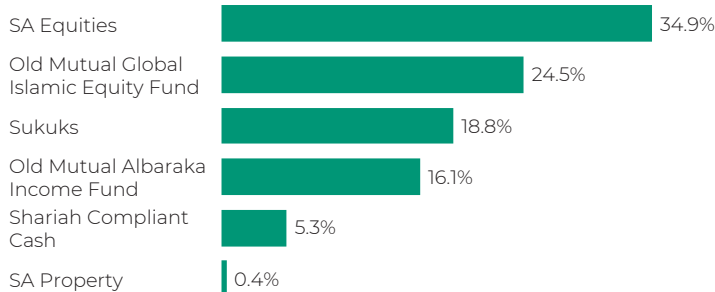
Risk Statistics (Since Inception)

Maximum Drawdown	-11.5%
Months to Recover	9
% Positive Months	62.5%
Annual Standard Deviation	6.7%
Sharpe Ratio	0.26

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

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION



PRINCIPAL HOLDINGS AS AT 30/09/2024

Holding	% of Fund
Anglo American Plc	2.5%
Mr Price Group Ltd	2.0%
MTN Group Ltd	2.0%
BHP Group Ltd	2.0%
Glencore Plc	1.8%
Compagnie Financière Richemont	1.7%
Gold Fields Ltd	1.6%
Vodacom Group Ltd	1.6%
Pan African Resources Plc	1.5%
South32 Ltd	1.5%



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PORTFOLIO MANAGERS COMMENTARY AS AT 30/09/2024

OLD MUTUAL INVESTMENT GROUP



MAAHIR JAKOET

- BCom (Hons) UCT, MBA
- 13 years of investment experience



FAWAZ FAKIER

- CFA, FRM, BCom honours (Finance)
- 18 years of investment experience

South African assets continued their barnstorming run as the markets were hit by a continuous stream of good news. South African property led the way with an 18.7% return over the quarter, followed by South African bonds with 10.6% and South African equities delivering 9.6%.

Firstly, investors appreciated that the Government of National Unity remained stable and reached 100 days. This supported the rand, which appreciated by more than 5% to 17.2 against the US dollar, and over the last year it is one of the strongest currencies in the world. This meant that despite strong global asset returns they barely delivered a return in quarter three to South African investors. Over the quarter and the year South African equities outperformed global equities, and over the 12 months even matched the tech fuelled US market. An interesting development to watch is that in the last quarter technology was the worst performing global sector.

The second big positive driver was the Chinese authorities starting to stimulate aggressively in September. The extended pain of the property crash and severe deflationary pressure caused a flurry of activity. This resulted in a massive 24% gain in the Chinese equity market in September alone. The positive implications for South Africa flowed through into mining shares, which local Shari'ah-compliant funds have a large absolute holding. Commodity prices picked up, especially the iron ore price, which if sustained will help our exports and tax receipts.

The other major event was the US Federal Reserve ringing the bell on the global rate cutting cycle, with a larger-than-expected 50 basis points (bps) cut was

a major event. This opened the door for the South African Reserve Bank to cut, albeit with a more miserly 25bps. We expect more cuts to come, which will help support consumer discretionary spending and an improvement in economic growth. The withdrawals from pension funds due to the Two Pot system will also support end of year shopping. Another piece of good news has been the fall in the oil price, boosting our terms of trade, reducing inflation, and putting cash back into the pockets of consumers. However, there are clouds on the horizon though with a continued deterioration in the geo-political situation in the Middle East. We also face an uncertain US election, which in turn could have material geo-political consequences.

Among the asset classes, the underweight in domestic equity was the clear alpha driver over the period.

The fund's local underweight positions in materials and global overweight in consumer discretionary were the largest contributors on a sector level, while our local overweight to consumer Discretionary and global overweight to healthcare detracted from performance. On a security level, the fund's underweight positions in Glencore and Amazon contributed to performance, while the overweight in Supergroup and Novo Nordisk detracted most from performance.

The fund's asset allocation as at 30 September 2024 comprises roughly 24% in global equity, 36% in local equity, and the balance in Sukuk (Shari'ah fixed-income instruments). The fund's mandate allows for a maximum of 60% in total equity, excluding

property, that is placed in the ASISA medium equity Balanced Fund category.

Our asset allocation split is like the previous quarter, given a constrained local universe we find a lot more breadth and diversification in our allowable global opportunity set. Local equities remain the largest allocation, with a natural bias to small- and mid-caps, this should benefit from rate cuts and improved growth. China data suggest that policymakers continue to show commitment to reflation. However, the magnitude plays a more important role and will most likely take the path of a trial and tested approach. The fund remains underweight materials relative to the allowable opportunity set. However, we have narrowed our underweight in materials, particularly miners, which should benefit if China continues stimulating.

Our global exposure remains underweight the US and underweight tech as valuations seem full. We have taken profits from healthcare and tech, while increasing our energy exposure. We observe the fund's positioning with caution as the proprietary inhouse quant Macro Economic Indicators point us back to a deflationary cycle and we remain anxious about the possibility of a slowdown in global growth. The fund's dominant style exposure is to quality, which is generally more defensive and should hold up well in a slowdown.

Within the allowable Shari'ah universe, there was no forced selling of shares that breached Shari'ah-compliant rules over the quarter ending September 2024.

Source: Old Mutual Investment Group as at 30/09/2024

OTHER INVESTMENT CONSIDERATIONS

ONGOING

	Class A	Class B1
Annual service fees (excl. VAT)	1.25%	1.00%

Please note: Class B1 is 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. A portion of Old Mutual Unit Trusts' annual service fees may be paid to administration platforms.

Total Expenses (Incl. Annual Service Fee) (30/09/2024)	36 Months		12 Months	
	Class A	Class B1	Class A	Class B1
Total Expense Ratio (TER) Incl. VAT	1.47%	1.18%	1.48%	1.19%
Transaction Cost (TC)	0.05%	0.05%	0.06%	0.06%
Total Investment Charge	1.52%	1.23%	1.54%	1.25%

Please note: Class B1 is 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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MINIMUM INVESTMENTS

Monthly: R500
Lump sum: R10 000
Ad hoc: R500 (in addition to your monthly or lump sum investment)

* These investment minimums are not limited to this fund. They can be apportioned across the funds you have selected in your investment contract.

LOW BALANCE CHARGE

Effective from 31 March 2025, a Prescribed Minimum Balance of R10 000 per fund per investment contract will apply. Failure to maintain the Prescribed Minimum Balance in any such fund will result in a Low Balance Charge* of R30 per month excluding VAT being incurred. However, if there is an existing monthly debit order of a minimum of R500 into each underlying fund within your investment contract, the Low Balance Charge will not apply. Please refer to the [link for a full disclosure](#) on how the Low Balance Charge will apply to your investments.

* This charge will not apply if investing via investment platforms such as Old Mutual Wealth.

INITIAL CHARGES (Incl. VAT):

Initial adviser fee will be between 0% and 3.45%.

DISCLOSURES

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.
- 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 November 2024. 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 Chartered Bank, PO Box 782080, Sandton 2146. Tel: +27 11 217 6600, Fax: +27 11 217 6642.

CONTACT DETAILS

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



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