

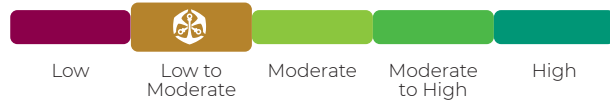


# INVEST WITH FAITH

## OLD MUTUAL ALBARAKA INCOME FUND

### FUND INFORMATION

#### RISK PROFILE



#### RECOMMENDED INVESTMENT TERM



#### BENCHMARK:

STeFI Composite Index

#### ASISA CATEGORY:

South African – Multi-Asset – Income

#### FUND MANAGER(S):

Maahir Jakoet & Fawaz Fakier  
(Old Mutual Investment Group)

#### LAUNCH DATE:

31/03/2020

#### SIZE OF FUND:

R1.7bn

#### DISTRIBUTIONS: (Quarterly)\*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/06/2024	0.10c	3.28c	3.38c	1.60%
31/03/2024	0.14c	3.20c	3.34c	1.58%
31/12/2023	0.12c	3.30c	3.42c	1.61%
30/09/2023	0.21c	3.19c	3.40c	1.62%

\* Class A fund distributions

#### TAX REFERENCE NUMBER:

9188/842/24/0

#### CODES

	JSE	ISIN
<b>Class A</b>	OMFA	ZAE000278172
<b>Class B1</b>	OMAB1	ZAE000278206

#### FUND OBJECTIVE

The fund aims to offer investors an ethical investment vehicle providing income and relative capital stability over time. Income will be provided to clients through investment in Shari'ah compliant short- and longer-term SA and global non-equity securities.

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 guided by the Shari'ah Supervisory Board.

#### WHO IS THIS FUND FOR?

This fund is for investors wanting capital stability from underlying Shari'ah investments, as well as income which will be provided to clients through Shari'ah compliant short-term and long-term local and offshore securities.

#### 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. Non-permissible income does not form part of the investor's income.

#### INVESTMENT MANDATE

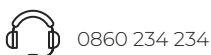
The fund is a Shari'ah compliant multi-asset income fund that offers investors access to local and international asset classes including equity, liquid assets and non-equity securities, such as sukuku (Islamic bonds) and equity conduits. It may also invest in the portfolios of other unit trusts, both locally and those registered in countries with acceptable regulatory environments. This fund may have a maximum effective equity exposure (including international equity) of 10% and a maximum effective property exposure (including international property) of 25% of the market value of the portfolio. The fund will have a combined exposure minimum of 7.5% of net asset value to listed equity and listed property securities.

#### 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.

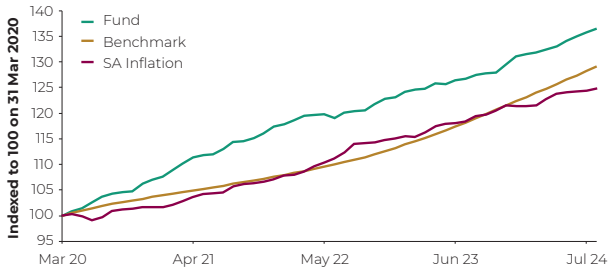




# INVEST WITH FAITH OLD MUTUAL ALBARAKA INCOME FUND

## FUND PERFORMANCE AS AT 31/08/2024

### PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

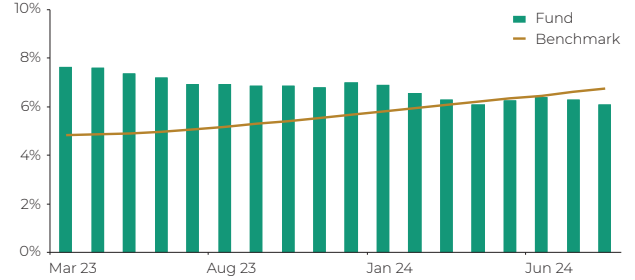
	% Performance (Annualised)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception <sup>1</sup>
Fund (Class A)	7.1%	6.1%	-	-	-	7.3%
Fund (Class B1) <sup>2</sup>	7.2%	6.2%	-	-	-	7.4%
Benchmark	8.5%	6.7%	6.1%	6.4%	6.6%	6.0%

<sup>1</sup> Performance since inception of the fund.

<sup>2</sup> 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.

### 3-YEAR ANNUALISED ROLLING RETURNS (FUND VS BENCHMARK)



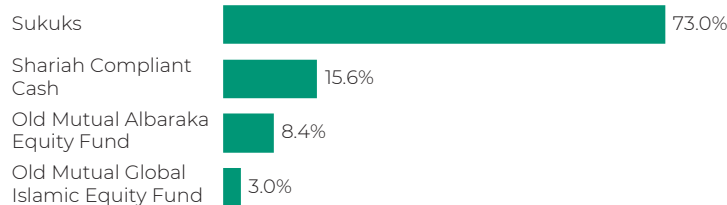
Rolling 12-Month Return	Highest	Average	Lowest
Fund (Since Inception)	10.4%	7.0%	4.5%

Risk Statistics (Since Inception)	
Maximum Drawdown	-0.7%
Months to Recover	2
% Positive Months	96.2%
Annual Standard Deviation	1.4%
Sharpe Ratio	0.93

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

## FUND COMPOSITION

### ASSET & PERCENTAGE ALLOCATION



### PRINCIPAL HOLDINGS AS AT 30/06/2024

Holding	% of Fund
ABSA Ltd 9.9% 07/11/2024	2.5%
Standard Ltd 9.781% 02/04/2025	2.3%
FirstRand Ltd 9.7991671% 18/01/2027	2.1%
FirstRand Ltd 10.064305% 31/03/2027	2.1%
FirstRand Con 11.315047% 26/07/2027	2.1%
FirstRand 11.31505% 17/08/2027	2.1%
ABSA Ltd 11.33% 16/09/2027	2.1%
FirstRand Ltd 12.10353% 08/11/2027	2.0%
FirstRand Ltd 10.22244% 17/08/2026	2.0%
Investec Ltd 8.07% 24/07/2025	2.0%



# INVEST WITH FAITH

## OLD MUTUAL ALBARAKA INCOME FUND

### PORTFOLIO MANAGERS COMMENTARY AS AT 30/06/2024

OLD MUTUAL INVESTMENT GROUP



#### MAAHIR JAKOET

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



#### FAWAZ FAKIER

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

This is a heavy election year, with nearly half the world's population either having voted or still expected to vote. During the quarter, elections in India and Mexico saw markets sell off. In South Africa, elections also had a significant impact on markets, with initial trepidation, ultimately giving way to relief as markets cheered the ANC decision to form a Government of National Unity (GNU). South African assets rallied strongly in June with the rand firming 3% against the US dollar. South African equities delivered a return of 8.2% in the quarter and bonds delivered a return of 7.5%. Locally oriented equities, including banks and retailers, led the overall market higher, while rand hedge stocks and mining stocks lagged the overall index.

Global equities continued to outperform global bonds, rising 3.1% in US dollar terms, compared to the global bonds, which were down -1.9% during the quarter. Global equity performance continues to be driven by the US and within that by the performance of a handful of mega tech stocks. The S&P 500 was up 4.3% in the quarter significantly outpacing the equally weighted S&P 500 Index, which was down -2.6%.

Year-to-date just six stocks (MSFT, NVDA, AAPL, GOOGL, AMZN, META) have contributed 62% of the S&P 500's 15% rise. During the quarter commodity price performance was mixed. Precious metals including silver, platinum and gold were up 19.7%, 10.4% and 5.3% respectively. Copper was also up close to 10% but iron ore, crude oil and palladium were all down in the quarter in dollar terms.

Against this backdrop, the exposure to local equities, together with rolling Sukuk at higher rates, were clear alpha drivers. In contrast, the overweight in property detracted from performance in the second quarter.

We need to observe with caution as the proprietary inhouse quantitative Macro Economic Indicators point us to a reflationary mid to late cycle, globally. Locally, our indicators show a late-cycle recession.

The SA economic growth landscape has some green shoots, following the formation of the GNU and lower loadshedding. Furthermore, there is an ongoing recovery in tourism and the two-pot system reform should aid in additional growth, not without some upside risk. A further

benefit to mention is that we might see a South African Reserve Bank (SARB) response to an improved inflation outlook before the end of the year. The fund is positioned to benefit from the increased value unlock in SA Inc. Moreover, we will also be placing out longer duration Sukuk, which benefits in the future should the SARB decide to cut rates. Within the allowable Shari'ah universe, there was a forced selling of Equites Property, which became non-Shari'ah-compliant over the quarter ending June 2024.

The fund's mandate allows for a maximum of 10% in equity excluding property. While equity is a small component, having a quality factor bias brings stability and can help the fund to extend gains above Sukuk returns over the long term. The fund's asset allocation currently comprises roughly 2% in property, 3% in global equity, 7% in local equity, and the balance in Islamic fixed-income instruments (Sukuk). In the current market environment, we are constantly on the lookout for high-quality characteristics within our equity opportunity set. The Old Mutual Albaraka Income Fund provides an attractive yield to our investors with a duration of approximately two years.

Source: Old Mutual Investment Group as at 30/06/2024

### OTHER INVESTMENT CONSIDERATIONS

#### 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.

#### INITIAL CHARGES (Incl. VAT):

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

#### ONGOING

	Class A	Class B1
Annual service fees (excl. VAT)	0.60%	0.50%

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) (30/06/2024)	36 Months		12 Months	
	Class A	Class B1	Class A	Class B1
Total Expense Ratio (TER) Incl. VAT	0.70%	0.59%	0.71%	0.60%
Transaction Cost (TC)	0.01%	0.01%	-	-
Total Investment Charge	0.71%	0.60%	0.71%	0.60%

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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## OLD MUTUAL ALBARAKA INCOME FUND

### 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](http://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.
- Income funds derive their income primarily from interest-bearing instruments as defined. The yield is a current yield and is calculated daily.
- 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 31 August 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.**

 0860 234 234

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