



INVEST WITH FAITH OLD MUTUAL ALBARAKA INCOME FUND

MSCI
ESG RATINGS



CCC B BB BBB A AA AAA

SEPTEMBER 2021

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



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 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 sukuk (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.

BENCHMARK:	STeFI Composite Index
ASISA CATEGORY:	South African – Multi-Asset – Income
FUND MANAGER(S):	Maahir Jakoet & Saliegh Salaam (Customised Solutions (Pty) Ltd)
LAUNCH DATE:	31/03/2020
SIZE OF FUND:	R975m

DISTRIBUTIONS: (Quarterly)*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
30/09/2021	0.31c	2.58c	2.89c	1.38%
30/06/2021	0.27c	3.23c	3.50c	1.67%
31/03/2021	0.18c	2.65c	2.83c	1.37%
31/12/2020	0.18c	3.35c	3.53c	1.71%

FUND PERFORMANCE AS AT 30/09/2021

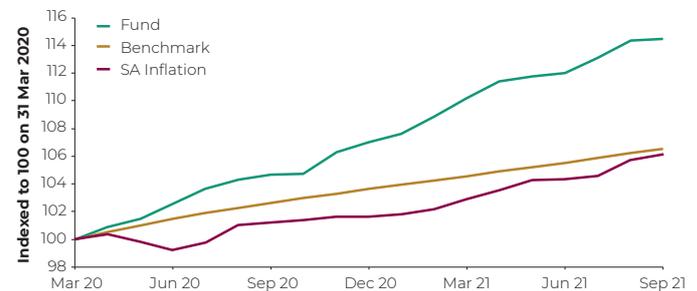
	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception ¹
Fund (Class A)	9.4%	-	-	-	-	9.5%
Fund (Class B1) ²	9.5%	-	-	-	-	9.6%
Benchmark	3.8%	5.8%	6.4%	6.5%	6.2%	4.3%

¹ Performance since inception of the fund.

² Inception: 31 December 2012. Class B1 fund 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)	10.4%	9.7%	9.1%

Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)

Maximum Drawdown	0.0%
Months to Recover	N/A
% Positive Months	100.0%
Annual Standard Deviation	1.4%

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

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION

Liquid Assets	86.2%
Industrials	5.8%
SA Property	4.6%
Resources	2.0%
International Equities	1.4%

PRINCIPAL HOLDINGS

HOLDING	% OF FUND
ABSA Ltd 9.9% 07/11/2024	3.7%
ABSA Ltd 9.12% 08/11/2023	3.6%
ABSA Ltd 8.45% 24/10/2022	3.6%
Standard Ltd 8.554 02/04/2024	3.5%
Standard Ltd 9.781% 02/04/2025	3.3%
ABSA Ltd 9.7% 21/06/2023	2.5%
Equities Property Fund Ltd	2.4%
FirstRand Ltd 8.258% 16/09/2022	2.4%
FirstRand Ltd 7.95% 10/12/2021	2.3%
Standard Ltd 8.25% 09/04/2026	2.1%

THIS IS THE MINIMUM DISCLOSURE DOCUMENT AS REQUIRED BY BOARD NOTICE 92

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

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SEPTEMBER 2021

FUND MANAGER INFORMATION



MAAHIR JAKOET |
PORTFOLIO MANAGER
• BCom (Hons) UCT
• 7 years of investment experience



SALIEGH SALAAM |
PORTFOLIO MANAGER
• BCom, CFA Charterholder
• 24 years of investment experience

The negative news from China regarding regulations worried investors, as well as fears around a potential default of a large Chinese property developer with debt of over US\$300bn. We still believe that China first innovates, then regulates, and earnings are likely to grow robustly, however at a slower pace.

Non-residents remained sellers in the SA equity and bond markets, and SA Sukuk issuers are pricing one year at 4.8%, which remained the same for the quarter, and five years at 8.7%, which increased by 0.50 basis points. The local currency weakened against the greenback by 5.35% for the quarter ending September 2021.

Locally, the President addressed the nation and eased lockdown to level 1, and a return to near normal seems to be underway. As expected, the SA Reserve Bank kept the repo rate unchanged at 3.5%.

Against this backdrop, the Old Mutual Albaraka Income Fund delivered top-quartile performance of 9.4% for the year ending September 2021. Local equity and local Sukuks were the largest contributors over the quarter.

Looking forward, global investors still believe that recession risk remains low, which will help to support equity markets. However, global equities remain expensive, and we have a preference for non-US equities. Chinese stimulus has materially slowed, which will cause commodity headwinds for the short term. However, electrification and energy generation will provide support for metal prices.

While there may be some bumps along the way, we remain overweight to SA Inc and our asset allocation favours local equities. From a sector perspective, we are overweight to resources and healthcare. We remain optimistic about the recovery of the SA consumer and continue to look for spending in reopening sectors. We like AVI and MTN. Our property favourites are equities and Stor-age.

The fund has delivered above-inflation returns for the quarter and since inception. We prefer stable companies with quality balance sheets and strong cash-generative abilities.

Source: Old Mutual Investment Group as at 30/09/2021

FUND COMMENTARY

Developed equities held up despite concerns about peak rate economic growth, rising inflation, and supply chain disruptions. The US Federal Reserve (Fed) is likely to begin tapering back on asset purchases before the end of the year, but rate hikes are unlikely before the second half of 2023. The Fed released projections for interest rates over the next few years and the pace of increases surprised, resulting in a rise in treasuries.

OTHER INVESTMENT CONSIDERATIONS

INVESTMENT CONTRACT MINIMUMS*:

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

* 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%.

TAX REFERENCE NUMBER: 9188/842/24/0

ISIN CODES:
Class A ZAE000278172
Class BI ZAE000278206

ONGOING

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

* Please note: The Class BI fund 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) (30/06/2021)	36 Months		12 Months	
	Class A	Class BI*	Class A	Class BI*
Total Expense Ratio (TER) Incl. VAT	0.74%	0.62%	0.71%	0.60%
Transaction Cost (TC)	0.04%	0.04%	0.02%	0.02%
Total Investment Charge	0.78%	0.66%	0.73%	0.62%

* Please note: The Class BI fund 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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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.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.
- 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 30 September 2021. 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.

Old Mutual Customised Solutions (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.

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