

OLDMUTUAL

ABRIDGED ANNUAL REPORT 2018

OLD MUTUAL UNIT TRUST MANAGERS (RF) (PTY) LIMITED



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Please note: This Abridged Annual Report contains limited information on Old Mutual Unit Trusts' funds. For more detailed information on these funds please go to www.omut.co.za or call 0860 234 234. Copies of the audited financial statements and the report of the Shari'ah Supervisory Board may be obtained, free of charge, and on request, from the management company.

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CHAIRMAN'S MESSAGE TO UNITHOLDERS

2018 INVESTMENT MARKETS OVERVIEW

2018 has been a very volatile year for South African equities, marked by a sharp decline in October. Although there was a partial recovery in December, this was not enough to end the year in positive territory. The 8.5% loss in 2018 has been the first negative calendar year for the JSE All Share Index since 2008. Although global equity markets also struggled in 2018, the depreciation of the rand against the US dollar boosted global returns for SA investors somewhat.

South African fixed interest – bonds and money market assets – delivered a positive but uninspiring return. This means that over the past five years, local equity returns were barely positive in real terms. The JSE was battered by the volatility on global markets, but also by the impact of emerging market outflows, a weak domestic economy, political uncertainty and, importantly, a number of company-specific problems.

It is, however, encouraging that January 2019 has seen the best start to the year for the South African rand in three decades. In addition, global equities recovered strongly, this after the worst December year-end for the Standard & Poor's 500 Index – a benchmark for US stocks – since the 1930s. Although the recovery is welcome, January accentuates the increasingly volatile nature of investment markets.

It's understandable that investors are confused and worried in the current environment. However, now is the time to stick to the three main principles of successful investing, namely: 1. Remember that time out of the market is costly, and it's almost impossible to time entry and exit. Investors should rather stick to their optimal asset mix strategy (cash, fixed interest, equities) – the market will go through ups and downs, but it still offers the best chance for inflation-beating returns over the long term. 2. It's important not to chase performance, as past performance is not an indicator of future performance. 3. Ignore short-term market noise and avoid emotional investment decisions. Talking to a financial adviser before investing, switching or disinvesting is crucial.

ANCHORED IN AFRICA

On 26 June 2018, Old Mutual Limited (OML) listed on the Johannesburg Stock Exchange (JSE), with secondary listings also taking place on the same day in the United Kingdom, Namibia, Malawi and Zimbabwe. This move firmly anchored OML as a Pan African financial services company, reflecting a strengthened focus on Africa and reinforcing its role in the lives of clients. With this, Old Mutual was rebranded and reinvigorated to build a strong, unified brand and fully leverage the history and strength of 173 years on the African continent. On 26 September 2018, Old Mutual announced the unbundling of its majority shareholding in Nedbank to its shareholders with the distribution taking place on 15 October 2018. Old Mutual will continue to work closely with the Nedbank team for the continued benefit of the clients and shareholders of both

our companies. The unbundling of Nedbank's shares completed the process of Managed Separation, which was first announced by Old Mutual plc in March 2016.

SA BUDGET SPEECH

The South African Revenue Service (SARS) once again collected R42 billion less tax revenue than expected in the fiscal year ending in March 2019. No major tax changes were announced. The Minister of Finance reiterated the Eskom unbundling announced by the President in his State of the Nation Address. Government is setting aside R23 billion a year over the next three years to financially support Eskom during its reconfiguration.

Inflation was lower than expected in January 2019, declining to 4% year on year, while underlying inflationary pressures are still very weak. Both food and fuel inflation can be expected to rise in coming months; food due to drought conditions and fuel prices because of a combination of a weaker rand, higher global oil prices, increases in the fuel levy and Road Accident Fund levy, as well as the new carbon tax.

Only Moody's still maintains an investment grade rating for South African local currency bonds.

The risk of a downgrade in our status to below investment grade remains, and if this occurs, it could lead to outflows, with a significant impact on the rand and on interest rates.

RATIONALISING OUR FUND RANGE

As part of our ongoing commitment to provide investment solutions that meet our clients' needs, we make every effort to offer a simple, concise and consistent fund range to make it easier for our clients to do business with us and simplify their investment decisions. As such, we initiated a fund rationalisation project, which proposes to reduce the number of funds in our retail fund range.

Because of this rationalisation, you may, from time to time, receive communication from us asking you to vote in favour of, or against a proposed amalgamation, should you have exposure to any of the impacted funds. Ultimately, a simplified fund range will allow investment managers to focus their efforts on a core fund range, which will be to the benefit of our clients.

ONLINE BUYING FORM TO LAUNCH SOON

As a future-fit company, we use technology to improve our service. Our online buying form, My Shopper, will make it easier for clients to invest with us digitally. Clients will also be able to upload their documents online, without the need to print, sign and scan. Advancing our digital offering will create a more streamlined experience saving our clients time and also making investing with us as easy as possible.

CHAIRMAN'S MESSAGE TO UNITHOLDERS (CONTINUED)

FUND PERFORMANCE

Our Old Mutual Investment Group multi-asset funds have all achieved a four-star rating by Morningstar. This has been delivered by following a disciplined, repeatable process and by taking both price and prevailing market themes into account. Risk management has been critical in delivering performance with a lower volatility relative to our competitors.

WINNER OF TWO TOP 500 AWARDS

Old Mutual Investment Group won two 2018 Top 500 Awards for Best Managed Company in the Financial Services Sector as well as the headline award for Best Managed Company of the Year, ahead of South Africa's most prestigious companies. These awards recognise our continuous quest to build sustainable investment outcomes for our clients, country and planet.

EXCITING ESG INDEX ADDITIONS TO OUR FUND RANGE

In line with our commitment to integrate Responsible Investing (RI) practices across our investment strategies and growing client needs, we launched South Africa's first retail ESG Index unit trusts in November 2018. The Old Mutual MSCI World ESG Feeder Fund and Old Mutual MSCI Emerging Markets ESG Feeder Fund are managed by Old Mutual Customised Solutions (Pty) Ltd, a boutique within Old Mutual Investment Group. This means that there is now a lower-cost, responsible investment option available to retail investors.

In conclusion, while 2018 has been an eventful year, I believe that it has laid the foundation for us to improve our focus on providing excellent service and relevant, sustainable solutions to meet the needs of our clients.



Peter de Beyer

Chairman: Old Mutual Unit Trusts

ABRIDGED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

R'000

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs
Total finance costs
Distributions
Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets
Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

CLASSIC INVESTMENT COLLECTION FUNDS				
Old Mutual Balanced Fund	Old Mutual Equity Fund	Old Mutual Flexible Fund	Old Mutual Global Equity Fund	Old Mutual Investors' Fund
(482 732)	(10 905)	(228 755)	297 518	(1 308 985)
574 030	8 484	148 319	69 861	454 075
571 449	8 388	147 469	17 545	453 753
2 581	96	850	52 316	322
(1 056 762)	(19 389)	(377 074)	227 657	(1 763 060)
17 340 225	276 562	5 099 360	15 040 737	12 250 453
310 450	5 811	85 084	23 493	219 539
17 029 775	270 751	5 014 276	15 017 244	12 030 914

R'000

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs
Total finance costs
Distributions
Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets
Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

Old Mutual Maximum Return Fund of Funds	Old Mutual Moderate Balanced Fund	Old Mutual Money Market	Old Mutual Real Income Fund	Old Mutual Stable Growth Fund
(36 111)	1 272	984 067	283 407	159 994
10 311	19 982	984 022	353 345	296 006
10 191	19 902	984 022	353 272	295 775
120	80	-	73	231
(46 422)	(18 710)	45	(69 938)	(136 012)
786 725	553 697	13 621 195	5 287 528	6 218 145
6 817	12 066	87 796	93 741	161 430
779 908	541 631	13 533 399	5 193 787	6 056 715

R'000

STATEMENT OF COMPREHENSIVE INCOME FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs
Total finance costs
Distributions
Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets
Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

Old Mutual Albaraka Balanced Fund	Old Mutual Albaraka Equity Fund	Old Mutual Bond Fund	Old Mutual Capital Builder Fund	Old Mutual Capped SWIX Index Fund
(18 520)	(190 060)	50 002	11 869	(23 786)
91 634	39 193	58 216	94 430	6 201
91 394	37 972	58 216	94 328	6 151
240	1 221	-	102	50
(110 154)	(229 253)	(8 214)	(82 561)	(29 987)
2 403 483	2 066 213	687 543	1 305 859	183 266
52 305	28 760	30 506	44 212	3 349
2 351 178	2 037 453	657 037	1 261 647	179 917

ABRIDGED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

R'000

STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs

Total finance costs

Distributions

Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets

Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

	Old Mutual Core Balanced Fund	Old Mutual Core Conservative Fund	Old Mutual Core Moderate Fund	Old Mutual Dynamic Floor Fund	Old Mutual Financial Services Fund
Net (loss)/income from operations before finance costs	(11 748)	1 271	279	(65 649)	(15 683)
Total finance costs	6 515	5 642	3 425	112 673	23 957
Distributions	6 499	5 638	3 417	109 525	23 957
Withholding tax on foreign dividends	16	4	8	3 148	-
Change in net assets attributable to unitholders	(18 263)	(4 371)	(3 146)	(178 322)	(39 640)
STATEMENT OF FINANCIAL POSITION					
AT 31 DECEMBER 2018					
Total assets	212 954	122 473	102 529	2 532 981	634 470
Total liabilities, excluding net assets attributable to unitholders	3 697	3 027	2 218	56 675	16 583
Net assets attributable to unitholders	209 257	119 446	100 311	2 476 306	617 887

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs

Total finance costs

Distributions

Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets

Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

	Old Mutual Global Bond Feeder Fund	Old Mutual Global Currency Feeder Fund	Old Mutual Global Emerging Market Fund	Old Mutual Global FTSE RAFI® All World Index Feeder Fund	Old Mutual Gold Fund
Net (loss)/income from operations before finance costs	6 578	46 062	(142 069)	206 847	17 663
Total finance costs	29	381	8 975	-	341
Distributions	29	381	7 178	-	221
Withholding tax on foreign dividends	-	-	1 797	-	120
Change in net assets attributable to unitholders	6 549	45 681	(151 044)	206 847	17 322
STATEMENT OF FINANCIAL POSITION					
AT 31 DECEMBER 2018					
Total assets	64 189	363 842	591 790	535 680	359 259
Total liabilities, excluding net assets attributable to unitholders	111	781	8 207	340	523
Net assets attributable to unitholders	64 078	363 061	583 583	535 340	358 736

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs

Total finance costs

Distributions

Withholding tax on foreign dividends

Change in net assets attributable to unitholders

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets

Total liabilities, excluding net assets attributable to unitholders

Net assets attributable to unitholders

	Old Mutual Growth Fund	Old Mutual Income Fund	Old Mutual Industrial Fund	Old Mutual Interest Plus Fund	Old Mutual Managed Alpha Equity Fund
Net (loss)/income from operations before finance costs	(117 413)	155 649	(199 494)	169 245	(227 097)
Total finance costs	30 930	151 400	46 976	166 061	42 306
Distributions	30 541	151 400	46 619	166 061	41 773
Withholding tax on foreign dividends	389	-	357	-	533
Change in net assets attributable to unitholders	(148 343)	4 249	(246 470)	3 184	(269 403)
STATEMENT OF FINANCIAL POSITION					
AT 31 DECEMBER 2018					
Total assets	1 243 647	2 259 136	951 718	2 290 762	2 073 430
Total liabilities, excluding net assets attributable to unitholders	16 494	43 051	9 134	21 734	29 537
Net assets attributable to unitholders	1 227 153	2 216 085	942 584	2 269 028	2 043 893

ABRIDGED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Old Mutual Mid & Small-Cap Fund	Old Mutual Mining and Resources Fund	Old Mutual MSCI Emerging Markets ESG Index Feeder Fund	Old Mutual MSCI World ESG Index Feeder Fund	Old Mutual RAFI® 40 Index Fund
Net (loss)/income from operations before finance costs	(127 547)	108 984	(18)	1 294	(39 715)
Total finance costs	37 116	35 780	1	-	33 962
Distributions	37 116	35 765	1	-	33 281
Withholding tax on foreign dividends	-	15	-	-	681
Change in net assets attributable to unitholders	(164 663)	73 204	(19)	1 294	(73 677)

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets	704 391	1 115 918	13 385	256 578	954 995
Total liabilities, excluding net assets attributable to unitholders	7 827	18 801	3	2 835	18 100
Net assets attributable to unitholders	696 564	1 097 117	13 382	253 743	936 895

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Old Mutual SA Quoted Property Fund	Old Mutual Titan Global Equity Feeder Fund	Old Mutual Top 20 Fund	Old Mutual Top 40 Fund	Old Mutual Top Companies Fund
Net (loss)/income from operations before finance costs	(1 052 549)	(214)	(32 383)	(49 559)	(207 114)
Total finance costs	372 411	-	6 309	14 758	35 608
Distributions	368 321	-	6 309	14 601	35 608
Withholding tax on foreign dividends	4 090	-	-	157	-
Change in net assets attributable to unitholders	(1 424 960)	(214)	(38 692)	(64 317)	(242 722)

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets	4 562 551	947	313 135	565 639	1 506 005
Total liabilities, excluding net assets attributable to unitholders	102 528	10	6 351	2 459	19 442
Net assets attributable to unitholders	4 460 023	937	306 784	563 180	1 486 563

MULTI-MANAGER FUNDS

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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

	Old Mutual Multi-Managers Aggressive Balanced Fund of Funds	Old Mutual Multi-Managers Balanced Fund of Funds	Old Mutual Multi-Managers Cautious Fund of Funds	Old Mutual Multi-Managers Defensive Fund of Funds	Old Mutual Multi-Managers Enhanced Income Fund of Funds
Net (loss)/income from operations before finance costs	(38 249)	(957 349)	(2 176)	(220 015)	27 448
Total finance costs	11 648	213 390	12 876	120 165	23 642
Distributions	11 491	209 243	12 821	118 891	23 625
Withholding tax on foreign dividends	157	4 147	55	1 274	17
Change in net assets attributable to unitholders	(49 897)	(1 170 739)	(15 052)	(340 180)	3 806

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets	543 052	13 239 331	422 223	5 461 963	416 150
Total liabilities, excluding net assets attributable to unitholders	5 071	36 248	3 870	29 887	8 036
Net assets attributable to unitholders	537 981	13 203 083	418 353	5 432 076	408 114

ABRIDGED FINANCIAL STATEMENTS AS AT 31 DECEMBER 2018

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	Old Mutual Multi- Managers Equity Fund of Funds	Old Mutual Multi- Managers Maximum Return Fund of Funds
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STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2018

Net (loss)/income from operations before finance costs	(30 681)	(7 274)
Total finance costs	326	580
Distributions	252	555
Withholding tax on foreign dividends	74	25
Change in net assets attributable to unitholders	(31 007)	(7 854)

STATEMENT OF FINANCIAL POSITION

AT 31 DECEMBER 2018

Total assets	211 703	105 676
Total liabilities, excluding net assets attributable to unitholders	645	216
Net assets attributable to unitholders	211 058	105 460

PORTFOLIO COMPOSITION (%) AS AT 31 DECEMBER 2018

	Cash and cash equivalents*	Money market instruments	Derivatives at fair value#	Bonds	Unit trusts		Equity	
					Local	Foreign	Local	Foreign
Old Mutual Balanced Fund	3.55	-	-	23.76	-	24.07	46.51	2.11
Old Mutual Equity Fund	0.96	-	-	-	9.49	17.25	72.30	-
Old Mutual Flexible Fund	6.77	-	0.14	12.01	-	24.33	54.94	1.81
Old Mutual Global Equity Fund	4.93	-	-	-	-	-	-	95.07
Old Mutual Investors' Fund	4.02	-	-	-	-	-	95.98	-
Old Mutual Maximum Return Fund of Funds	1.39	-	-	-	60.71	37.90	-	-
Old Mutual Moderate Balanced Fund	4.60	0.36	-	40.86	-	16.73	37.44	-
Old Mutual Money Market Fund	18.36	81.64	-	-	-	-	-	-
Old Mutual Real Income Fund	2.08	20.32	-	64.35	-	-	13.25	-
Old Mutual Stable Growth Fund	5.19	10.72	0.05	43.60	-	12.23	28.21	-
Old Mutual Albaraka Balanced Fund	4.56	35.60	-	2.50	-	21.42	35.92	-
Old Mutual Albaraka Equity Fund	9.81	-	-	-	-	24.49	63.79	1.91
Old Mutual Bond Fund	1.72	-	-	98.28	-	-	-	-
Old Mutual Capital Builder Fund	4.09	30.88	-	32.31	3.15	-	29.57	-
Old Mutual Capped SWIX Index Fund	1.71	-	-	-	-	-	98.29	-
Old Mutual Core Balanced Fund	1.31	5.14	-	13.17	39.56	3.18	37.64	-
Old Mutual Core Conservative Fund	1.21	19.57	-	28.60	35.14	7.11	8.37	-
Old Mutual Core Moderate Fund	1.96	-	-	24.98	43.18	8.24	21.65	-
Old Mutual Dynamic Floor Fund	22.28	12.22	-	23.58	-	-	21.83	20.09
Old Mutual Financial Services Fund	0.20	-	-	-	2.54	-	97.26	-
Old Mutual Global Bond Feeder Fund	3.41	-	-	-	-	96.59	-	-
Old Mutual Global Currency Feeder Fund	2.62	-	-	-	-	97.38	-	-
Old Mutual Global Emerging Market Fund	5.16	-	-	-	-	-	9.21	85.63
Old Mutual Global FTSE RAFI® All World Index Feeder Fund	0.44	-	-	-	99.56	-	-	-
Old Mutual Gold Fund	2.48	-	-	-	-	-	70.06	27.46
Old Mutual Growth Fund	0.31	-	-	-	26.09	14.90	58.70	-
Old Mutual Income Fund	4.34	28.24	-	67.42	-	-	-	-
Old Mutual Industrial Fund	0.74	-	-	-	8.26	-	91.00	-
Old Mutual Interest Plus Fund	10.92	52.14	0.01	36.93	-	-	-	-
Old Mutual Managed Alpha Equity Fund	2.21	-	-	-	-	-	97.79	-
Old Mutual Mid & Small-Cap Fund	0.09	-	-	-	3.41	-	96.50	-
Old Mutual Mining and Resources Fund	2.38	-	-	-	-	-	83.94	13.67
Old Mutual MSCI Emerging Markets ESG Index Feeder Fund	0.31	-	-	-	-	99.69	-	-
Old Mutual MSCI World ESG Index Feeder Fund	1.39	-	-	-	-	98.61	-	-
Old Mutual RAFI® 40 Index Fund	2.39	-	-	-	-	-	97.61	-
Old Mutual SA Quoted Property Fund	0.03	-	-	-	2.48	-	97.49	-
Old Mutual Titan Global Equity Feeder Fund	0.42	-	-	-	-	99.58	-	-
Old Mutual Top 20 Fund	0.35	-	-	-	2.88	-	96.77	-
Old Mutual Top 40 Fund	1.59	-	-	-	-	-	98.41	-
Old Mutual Top Companies Fund	0.09	-	-	-	22.94	-	76.97	-

PORTFOLIO COMPOSITION (%) AS AT 31 DECEMBER 2018

	Cash and cash equivalents*	Money market instruments	Derivatives at fair value#	Bonds	Unit trusts		Equity	
					Local	Foreign	Local	Foreign
Old Mutual Multi-Managers Aggressive Balanced Fund of Funds	1.21	-	-	-	71.14	27.65	-	-
Old Mutual Multi-Managers Balanced Fund of Funds	0.28	-	-	-	70.91	28.81	-	-
Old Mutual Multi-Managers Cautious Fund of Funds	0.67	-	-	-	78.66	20.67	-	-
Old Mutual Multi-Managers Defensive Fund of Funds	0.59	-	-	-	72.95	26.46	-	-
Old Mutual Multi-Managers Enhanced Income Fund of Funds	2.07	-	-	-	97.93	-	-	-
Old Mutual Multi-Managers Equity Fund of Funds	0.33	-	-	-	99.67	-	-	-
Old Mutual Multi-Managers Maximum Return Fund of Funds	1.12	-	-	-	45.32	53.56	-	-

* Only capital, current and call deposits are included.

Where portfolios hold SAFEX instruments the fair value of derivative assets and liabilities is zero.

INVESTMENT PERFORMANCE (%) AS AT 31 DECEMBER 2018

	1 YEAR		3 YEARS		5 YEARS		7 YEARS		10 YEARS	
	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)
Old Mutual Balanced Fund	-3.3	-	3.4	-	5.4	-	8.7	-	9.7	-
Old Mutual Equity Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual Flexible Fund	-5.5	-	3.3	-	6.1	-	9.8	-	11.0	-
Old Mutual Global Equity Fund	1.5	-	2.6	-	11.3	-	20.4	-	16.0	-
Old Mutual Investors' Fund	-9.8	-	-0.4	-	3.8	-	9.3	-	11.2	-
Old Mutual Maximum Return Fund of Funds	-4.2	-	1.7	-	6.3	-	-	-	-	-
Old Mutual Moderate Balanced Fund	-0.2	-	4.5	-	-	-	-	-	-	-
Old Mutual Money Market Fund	7.4	-	7.6	-	7.0	-	6.4	-	6.7	-
Old Mutual Real Income Fund	5.3	-	6.9	-	6.8	-	8.0	-	8.8	-
Old Mutual Stable Growth Fund	2.0	-	5.4	-	6.3	-	8.3	-	8.7	-
Old Mutual Albaraka Balanced Fund	-1.4	-	3.1	-	5.2	-	7.6	-	-	-
Old Mutual Albaraka Equity Fund	-8.5	-	0.8	-	3.7	-	8.4	-	10.0	-
Old Mutual Bond Fund	-	7.2	-	10.5	-	7.1	-	7.5	-	7.4
Old Mutual Capital Builder Fund	0.4	-	4.5	-	4.3	-	5.4	-	5.6	-
Old Mutual Capped SWIX Index Fund	-11.8	-	-	-	-	-	-	-	-	-
Old Mutual Core Balanced Fund	-4.5	-	3.8	-	-	-	-	-	-	-
Old Mutual Core Conservative Fund	0.3	-	-	-	-	-	-	-	-	-
Old Mutual Core Moderate Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual Dynamic Floor Fund	-3.0	-	2.9	-	4.6	-	7.6	-	8.0	-
Old Mutual Financial Services Fund	-2.4	-	5.4	-	8.6	-	12.6	-	13.4	-
Old Mutual Global Bond Feeder Fund	11.2	-	-1.6	-	5.8	-	7.8	-	7.4	-
Old Mutual Global Currency Feeder Fund	12.8	-	-0.7	-	5.7	-	-	-	-	-
Old Mutual Global Emerging Market Fund	-17.1	-	1.0	-	4.2	-	8.3	-	-	-
Old Mutual Global FTSE RAFI® All World Index Feeder Fund	0.3	-	1.8	-	8.2	-	-	-	-	-
Old Mutual Gold Fund	6.3	-	5.2	-	2.7	-	-5.6	-	-1.0	-
Old Mutual Growth Fund	-8.9	-	-1.7	-	1.8	-	6.3	-	9.2	-
Old Mutual Income Fund	-	7.9	-	9.3	-	7.4	-	7.3	-	7.5
Old Mutual Industrial Fund	-16.7	-	-4.9	-	2.5	-	9.2	-	12.4	-
Old Mutual Interest Plus Fund	7.8	-	8.0	-	7.3	-	6.8	-	-	-
Old Mutual Managed Alpha Equity Fund	-15.8	-	-1.0	-	3.5	-	9.7	-	11.6	-
Old Mutual Mid & Small-Cap Fund	-14.4	-	-2.6	-	-	-	7.2	-	10.6	-
Old Mutual Mining and Resources Fund	10.0	-	21.7	-	3.9	-	3.4	-	6.2	-
Old Mutual MSCI Emerging Markets ESG Index Feeder Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual MSCI World ESG Index Feeder Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual RAFI® 40 Index Fund	-4.2	-	9.8	-	5.1	-	9.1	-	11.5	-
Old Mutual SA Quoted Property Fund	-18.7	-	-1.5	-	6.4	-	10.1	-	11.8	-
Old Mutual Titan Global Equity Feeder Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual Top 20 Fund*	-	-	-	-	-	-	-	-	-	-
Old Mutual Top 40 Fund	-9.1	-	2.6	-	4.5	-	9.6	-	11.3	-
Old Mutual Top Companies Fund	-12.6	-	-2.6	-	1.2	-	6.0	-	9.1	-

INVESTMENT PERFORMANCE (%) AS AT 31 DECEMBER 2018

	1 YEAR		3 YEARS		5 YEARS		7 YEARS		10 YEARS	
	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)
Old Mutual Multi-Managers Aggressive Balanced Fund of Funds	-8.0	-	2.2	-	-	-	-	-	-	-
Old Mutual Multi-Managers Balanced Fund of Funds	-7.2	-	2.3	-	4.1	-	7.7	-	9.2	-
Old Mutual Multi-Managers Cautious Fund of Funds	-1.1	-	4.8	-	5.3	-	6.0	-	-	-
Old Mutual Multi-Managers Defensive Fund of Funds	-4.3	-	3.3	-	4.8	-	7.4	-	8.2	-
Old Mutual Multi-Managers Enhanced Income Fund of Funds	7.2	-	8.0	-	7.1	-	7.0	-	7.5	-
Old Mutual Multi-Managers Equity Fund of Funds	-12.2	-	1.5	-	3.3	-	6.9	-	9.4	-
Old Mutual Multi-Managers Maximum Return Fund of Funds	-7.3	-	1.2	-	-	-	-	-	-	-

* No performance figures are available as these funds were launched during the 2018 financial year.

INCOME DISTRIBUTION PER UNIT (CENTS) AS AT 31 DECEMBER 2018

	MARCH 2018		JUNE 2018		SEPTEMBER 2018		DECEMBER 2018	
	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)
Old Mutual Balanced Fund	-	-	18.65	21.37	-	-	20.81	23.57
Old Mutual Equity Fund	-	-	0.84	-	-	-	2.42	-
Old Mutual Flexible Fund	-	-	14.94	17.79	-	-	16.85	19.74
Old Mutual Global Equity Fund	-	-	-	7.50	-	-	-	2.10
Old Mutual Investors' Fund	-	-	631.70	713.07	-	-	529.69	608.43
Old Mutual Maximum Return Fund of Funds	-	-	2.62	-	-	-	1.58	-
Old Mutual Moderate Balanced Fund	-	-	3.61	-	-	-	4.03	-
Old Mutual Money Market Fund	-	-	-	-	-	-	-	-
Old Mutual Real Income Fund	4.48	-	4.50	-	4.73	-	4.49	-
Old Mutual Stable Growth Fund	-	-	6.44	-	-	-	6.70	-
Old Mutual Albaraka Balanced Fund	-	-	5.23	-	-	-	5.33	-
Old Mutual Albaraka Equity Fund	-	-	16.62	-	-	-	19.22	-
Old Mutual Bond Fund	-	-	14.68	14.37	-	-	14.95	14.65
Old Mutual Capital Builder Fund	-	-	5.84	-	-	-	6.78	-
Old Mutual Capped SWIX Index Fund	-	-	3.26	-	-	-	3.06	-
Old Mutual Core Balanced Fund	-	-	3.01	-	-	-	3.27	-
Old Mutual Core Conservative Fund	-	-	4.25	-	-	-	4.42	-
Old Mutual Core Moderate Fund	-	-	2.12	-	-	-	3.55	-
Old Mutual Dynamic Floor Fund	-	-	8.96	-	-	-	8.58	-
Old Mutual Financial Services Fund	-	-	15.69	17.92	-	-	34.61	36.79
Old Mutual Global Bond Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual Global Currency Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual Global Emerging Market Fund	-	-	-	-	-	-	3.33	-
Old Mutual Global FTSE RAFI® All World Index Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual Gold Fund	-	-	-	1.12	-	-	-	-
Old Mutual Growth Fund	-	-	27.16	32.62	-	-	25.35	30.85
Old Mutual Income Fund	2.08	2.26	2.14	2.32	2.16	2.34	2.10	2.28
Old Mutual Industrial Fund	-	-	78.46	81.95	-	-	13.91	17.13
Old Mutual Interest Plus Fund	1.26	-	1.23	-	1.21	-	1.10	-
Old Mutual Managed Alpha Equity Fund	113.54	-	30.45	-	-	-	101.71	-
Old Mutual Mid & Small-Cap Fund	-	-	62.00	-	-	-	11.14	-
Old Mutual Mining and Resources Fund	-	-	117.52	128.19	-	-	106.66	118.25
Old Mutual MSCI Emerging Markets ESG Index Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual MSCI World ESG Index Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual RAFI® 40 Index Fund	-	-	5.89	-	-	-	6.10	-
Old Mutual SA Quoted Property Fund	16.57	-	11.52	-	15.32	-	16.29	-
Old Mutual Titan Global Equity Feeder Fund	-	-	-	-	-	-	-	-
Old Mutual Top 20 Fund	-	-	-	-	-	-	2.14	-
Old Mutual Top 40 Fund	6.90	-	5.54	-	11.02	-	2.39	-
Old Mutual Top Companies Fund	-	-	20.90	26.97	-	-	22.18	28.09

INCOME DISTRIBUTION PER UNIT (CENTS) AS AT 31 DECEMBER 2018

	MARCH 2018		JUNE 2018		SEPTEMBER 2018		DECEMBER 2018	
	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)	(Class A)	(Class R)
Old Mutual Multi-Managers Aggressive Balanced Fund of Funds	-	-	2.44	-	-	-	1.12	-
Old Mutual Multi-Managers Balanced Fund of Funds	1.82	-	-	-	5.88	-	-	-
Old Mutual Multi-Managers Cautious Fund of Funds	0.20	-	1.55	-	2.75	-	1.61	-
Old Mutual Multi-Managers Defensive Fund of Funds	0.60	-	1.92	-	5.95	-	1.95	-
Old Mutual Multi-Managers Enhanced Income Fund of Funds	1.87	-	4.43	-	4.70	-	4.67	-
Old Mutual Multi-Managers Equity Fund of Funds	-	-	-	-	-	-	-	-
Old Mutual Multi-Managers Maximum Return Fund of Funds	-	-	0.76	-	-	-	-	-

PRICE, TOTAL EXPENSE RATIO (TER) AND PERFORMANCE FEE AS AT 31 DECEMBER 2018

	LAST PUBLISHED PRICE		TOTAL EXPENSE RATIO (TER)		PERFORMANCE FEE COMPONENT OF TER
	(31/12/2018)		Percentage per Class (%)		%
	(Class A)	(Class R)	(Class A)	(Class R)	
Old Mutual Balanced Fund	1 527.38	1 530.08	1.64	1.30	N/A
Old Mutual Equity Fund	188.91	-	1.82	-	N/A
Old Mutual Flexible Fund	1 587.31	1 590.10	1.66	1.32	N/A
Old Mutual Global Equity Fund	2 632.88	2 695.00	2.09	1.23	N/A
Old Mutual Investors' Fund	36 993.06	37 062.43	1.44	1.16	0.12
Old Mutual Maximum Return Fund of Funds	306.80	-	1.94	-	N/A
Old Mutual Moderate Balanced Fund	214.49	-	1.73	-	N/A
Old Mutual Money Market Fund	100.00	-	0.58	-	N/A
Old Mutual Real Income Fund	281.58	-	1.41	-	N/A
Old Mutual Stable Growth Fund	309.23	-	1.60	-	N/A
Old Mutual Albaraka Balanced Fund	296.75	-	1.47	-	N/A
Old Mutual Albaraka Equity Fund	1 990.02	-	1.76	-	N/A
Old Mutual Bond Fund	-	351.81	-	0.89	N/A
Old Mutual Capital Builder Fund	254.37	-	1.40	-	N/A
Old Mutual Capped SWIX Index Fund	190.65	-	0.82	-	N/A
Old Mutual Core Balanced Fund	209.26	-	0.87	-	N/A
Old Mutual Core Conservative Fund	204.48	-	0.93	-	N/A
Old Mutual Core Moderate Fund	197.44	-	0.89	-	N/A
Old Mutual Dynamic Floor Fund	452.93	-	1.57	-	N/A
Old Mutual Financial Services Fund	1 492.41	1 494.19	1.46	1.17	N/A
Old Mutual Global Bond Feeder Fund	592.45	-	1.66	-	N/A
Old Mutual Global Currency Feeder Fund	362.78	-	1.04	-	N/A
Old Mutual Global Emerging Market Fund	355.31	-	2.40	-	0.57
Old Mutual Global FTSE RAFI® All World Index Feeder Fund	473.16	-	1.19	-	N/A
Old Mutual Gold Fund	656.67	671.05	1.76	1.19	N/A
Old Mutual Growth Fund	2 535.56	2 540.78	1.53	1.29	0.07
Old Mutual Income Fund	-	126.00	-	0.88	N/A
Old Mutual Industrial Fund	2 075.26	2 078.16	1.47	1.18	N/A
Old Mutual Interest Plus Fund	203.27	-	0.65	-	N/A
Old Mutual Managed Alpha Equity Fund	8 197.56	-	1.53	-	0.18
Old Mutual Mid & Small-Cap Fund	1 611.80	1 615.81	1.74	1.17	N/A
Old Mutual Mining and Resources Fund	7 750.40	7 763.35	1.45	1.17	N/A
Old Mutual MSCI Emerging Markets ESG Index Feeder Fund	195.72	-	0.92	-	N/A
Old Mutual MSCI World ESG Index Feeder Fund	191.06	-	0.70	-	N/A
Old Mutual RAFI® 40 Index Fund	339.32	-	0.89	-	N/A
Old Mutual SA Quoted Property Fund	824.33	-	1.45	-	N/A
Old Mutual Titan Global Equity Feeder Fund	161.09	-	1.89	-	N/A
Old Mutual Top 20 Fund	179.71	-	1.62	-	N/A
Old Mutual Top 40 Fund	912.98	-	0.75	-	N/A
Old Mutual Top Companies Fund	2 715.06	2 720.75	1.40	1.17	0.04

PRICE, TOTAL EXPENSE RATIO (TER) AND PERFORMANCE FEE

	LAST PUBLISHED PRICE		TOTAL EXPENSE RATIO (TER)		PERFORMANCE FEE COMPONENT OF TER
	(31/12/2018)		Percentage per Class (%)		%
	(Class A)	(Class R)	(Class A)	(Class R)	
Old Mutual Multi-Managers Aggressive Balanced Fund of Funds	207.60	-	2.14	-	N/A
Old Mutual Multi-Managers Balanced Fund of Funds	914.84	-	2.03	-	N/A
Old Mutual Multi-Managers Cautious Fund of Funds	237.52	-	1.84	-	N/A
Old Mutual Multi-Managers Defensive Fund of Funds	648.98	-	2.03	-	N/A
Old Mutual Multi-Managers Enhanced Income Fund of Funds	260.38	-	1.20	-	N/A
Old Mutual Multi-Managers Equity Fund of Funds	927.72	-	1.61	-	N/A
Old Mutual Multi-Managers Maximum Return Fund of Funds	211.66	-	1.94	-	N/A

OLD MUTUAL UNIT TRUST MANAGERS (RF) (Pty) Ltd

ABRIDGED ANNUAL REPORT 2018

TRUSTEES' REPORT

Standard Bank of South Africa Limited provides custodian services for a fee as disclosed in the statement of comprehensive income.

Report in terms of section 70(f) of the Collective Investment Schemes Control Act (the Act), No. 45 of 2002, for the period 1 January 2018 to 31 December 2018 – Old Mutual Unit Fund Scheme and Old Mutual Investors' Fund Scheme.

We confirm that according to the records available to us, no losses were suffered in the portfolios and no investor was prejudiced as a result thereof.

We conclude our report by stating that we reasonably believe that the Manager has administered the Schemes in accordance with:

- (i) the limitations imposed on the investment and borrowing powers of the manager by the Act; and
- (ii) the provisions of the Act and the deed.

Standard Chartered Bank

We hereby confirm that as required in terms of section 70 (3) of the Collective Investment Schemes Control Act, No. 45 of 2002, as amended (the Act), we have satisfied ourselves that every statement of comprehensive income, statement of financial position and other return prepared by the Manager of the Scheme in terms of section 90 of the Act fairly represent the assets and liabilities, as well as the income and distribution of income, of every portfolio of the Scheme administered by the Manager of the Scheme.

IMPORTANT NOTICE:

In terms of the Collective Investment Schemes Control Act, the trustees of all unit trust companies must report on their adherence to limitations imposed on investing, borrowing powers and the general provisions of the Act and Trust Deed. Our trustees, Standard Bank of South Africa Limited and Standard Chartered Bank, have released Old Mutual Unit Trusts' report for 2018. The report does not detail any material breaches and is available from the Manager on request and may be viewed at the registered offices of the Manager.



STATUTORY INFORMATION:

Only the A and R Class fund portfolios have been included in this Abridged Annual Report. Performance figures are only disclosed for funds that have been in existence for more than one year. A fund portfolio is identical for all the respective classes of that fund. Different classes purely reflect different fee structures, not different portfolio compositions. The A and R Classes have been selected for this Annual Report as these are the only two classes of units which a retail investor can purchase directly from Old Mutual Unit Trust Managers (RF) (Pty) Ltd. Note that full details of all the funds and classes are available in the full Annual Report. All performance figures are based on lump sum investments to December 2018. Unit trusts are generally medium- to long-term investments. Past performance is no indication of future growth. Shorter term fluctuations can occur as your investment moves in line with the markets. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Unit trusts can engage in borrowing and scrip lending. The fund's Total Expense Ratio (TER) reflects the percentage of the average Net Asset Value of the portfolio that was incurred as charges, levies and fees related to the management of the portfolio. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A schedule of fees, charges and maximum commissions is available from the company. You may sell your investment at the ruling price of the day (calculated at 15h00 daily for all funds, except the Money Market Funds, which is at 13h00). At month-end we value the Old Mutual Index Funds and Old Mutual Multi-Managers Fund of Funds range at 17:00 close. The Old Mutual Money Market Fund unit price aims to be static but investment capital is not guaranteed. The total return is primarily made up of interest (declared daily at 13h00), but may also include any gain/loss on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in an extreme case it can have the effect of reducing the capital value of the fund. Specialist equity funds may hold a greater risk as exposure limits to a single security may be higher. A feeder fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interests in a single portfolio of a collective investment scheme. A fund of funds unit trust invests only in other collective investment schemes, which may levy their own charges. Certain funds may be capped to be managed in accordance with their mandates. Old Mutual is a member of the Association for Savings and Investment SA.

Source: Morningstar.

The performance is calculated on a NAV-NAV basis and does not take any initial fees into account. Income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income.

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