



# WEALTH DEFENDER OVERVIEW

OLDMUTUAL

INVESTMENT GROUP  
CUSTOMISED SOLUTIONS



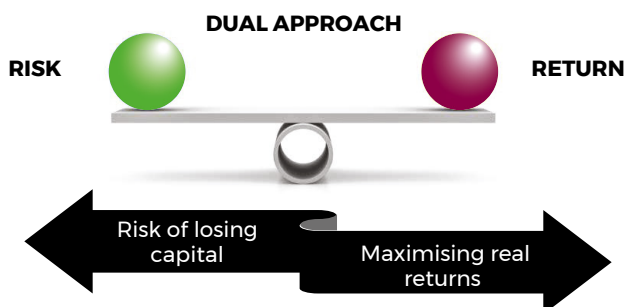
## GROWING YOUR WEALTH AND PROTECTING YOUR CAPITAL

### OUR APPROACH

In growing savings, finding that balance between risk and return is crucial. While the aim of long-term investing is earning returns on your capital, it is also necessary to be cautious and assess potential risks so as to avoid losses. Our **Wealth Defender** strategy strikes that balance comfortably by participating in market upside and also by protecting capital on the downside. Wealth Defender provides that safety net because growth assets crash regularly.

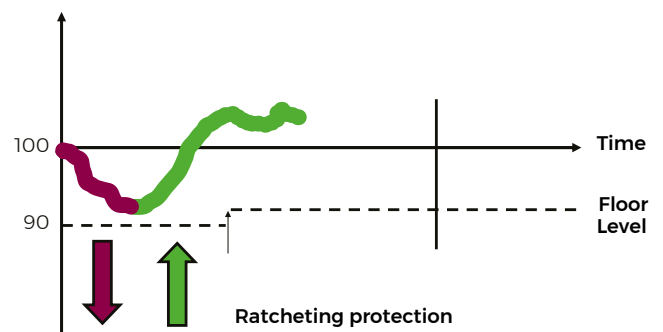
The strategy aims to protect capital over a rolling 12-month period and generate real returns of CPI + 4-5% p.a. And while it aims to protect 100% of the capital, the product is also specifically designed to limit the potential loss over any rolling 12-month period to 10%.

We have demonstrated a superior ability to protect capital in times of strife, such as 2008/2009 Global Financial Crisis, as well as the current COVID-19 crisis. This is a suitable strategy for investors that want to pursue long-term real return targets but still require a degree of capital protection. We strive to meet both our return and risk objectives over the long term, by adding value through strategic asset allocation, actively managed local and global investment building blocks, and our deep-rooted risk management philosophy.



### OUR COMPETITIVE EDGE


- **Performance and Capital Protection** Since its inception (August 2003), the strategy has:
  - ✓ Outpaced inflation (CPI)
  - ✓ Achieved capital protection over most 12-month periods
  - ✓ Ensured that any losses during adverse markets were well within the maximum drawdown objective of 10%.
- **Floor Fund technology** - Our proprietary technology, used in downside risk management, is probably the most distinctive feature in our approach of our CPI + 4-5% capability. The model will reduce effective exposure to riskier assets such as equities in the event that there is a downturn in the equity market and the portfolio starts to lose value. To maximise returns, great emphasis is placed on minimising any hedging costs. In addition to minimising hedging expenses, the protection level of the fund increases as the fund gains in value.



- **Alpha capturing building blocks** - Our portfolio has track records of generating good returns, whilst at the same time delivering excellent diversification.
- **Superior risk management** - Risk management is deeply embedded in our investment process and is complimented with the use of sophisticated risk analysis systems and techniques, paying careful attention to the interaction between different classes.

## OUR RISK-MANAGED TEAM

**Absolute Return  
Portfolio Management Team**



<p><b>GRANT WATSON</b> <b>Portfolio Manager</b> (27YRS) M.Com, MBA, CMMD, Csb(SA) Non-practicing</p>	<p><b>HANNO NIEHAUS</b> <b>Portfolio Manager</b> (23YRS) B.Economics (Hons), CFA</p>	<p><b>ZIYAAD PARKER</b> <b>Portfolio Manager</b> (13YRS) B.Bus.Sc (Finance), CFA, CAIA</p>	<p><b>SEHRISH KHAN</b> <b>Investment Analyst</b> (7YRS) B.Com CA(SA), CFA</p>	<p><b>NELISIWE NZAMA</b> <b>Portfolio Manager</b> (24YRS) B.Com. (Acc), B.Com (Hons) Act. Sc., EMBA</p>	<p><b>POOJA TANNA</b> <b>Portfolio Manager</b> (16YRS) B.Sc (Acturial. Sc.), B Sc (Hons): Mathematical Stats</p>	<p><b>SIBUSISO MQWATI</b> <b>Junior Investment Analyst</b> (5YRS) B.Bus.Sc (Fin &amp; Acct), PGDA, CA (SA)</p>
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## OUR PROCESS

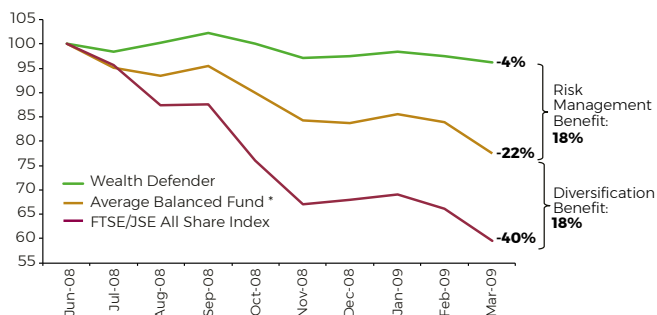
We manage a diversified multi-asset portfolio with the objective of protecting against downside risk by blending local and global asset classes in a risk-cognisant fashion. Our proprietary risk management process protects capital through diversification, dynamic hedging and derivative usage.



## OUR PROVEN TRACK RECORD

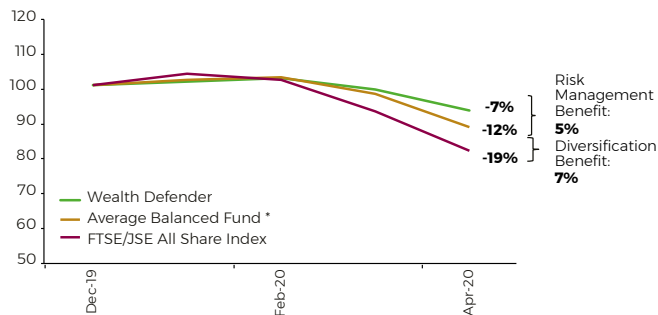
The strategy has lived through two major bear markets in recent history – during the Global Financial Crisis 2008/2009 and the recent COVID-19 sell-off period. By sticking to its strategy, the Wealth Defender Portfolio has achieved its dual objective – upside participation, downside protection – 100% of the time since its inception. By diversifying, the average balanced fund performed better than the FTSE/JSE All Share Index, and by managing risk using our proprietary floor fund technology, our portfolio performed better than the average balanced fund, once again indicating how important capital preservation is to our philosophy and process.

**Limiting Losses During Global Financial Crisis  
(June 2008 – March 2009)**



Sources: Alexander Forbes & Old Mutual Investment Group,  
\* AF Global Large Manager Watch Average

**Limiting Losses During Current Covid-19 Crisis  
(December 2019 – April 2020)**



Sources: Alexander Forbes & Old Mutual Investment Group,  
\* AF Global Large Manager Watch Average

**Our investment framework enables our clients to have peace of mind regarding their investments by protecting capital and growing wealth.**

### CONTACT DETAILS:

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