



STRATEGY INFORMATION

Benchmark*:

- 40% US Dollars: Bloomberg Barclays US Treasury Bills 1-3 month
- 35% Euro: Bloomberg Barclays Euro Treasury Bills 0-3 month
- 15% Japanese Yen: ICE Bank of America Japan 0-1 year Government
- 10% UK Pound: ICE Bank of America Sterling 3 month Government Bill (unhedged in USD) ("the Benchmark Index").

Launch Date: July 2004

Strategy Size: US\$131.8m (31.12.20)

Currency: US\$

Portfolio Manager: Russell Investments Limited, UK.

*Please note: The benchmark changed from a composite of varying weights as per the Special Drawing Rights (SDR) basket to a composite of fixed weightings effective from 1 March 2020.

INVESTMENT DESCRIPTION

The strategy aims to maximise total return to investors through full exposure to a basket of major foreign currencies.

The strategy will primarily invest in short-term securities with an outstanding term of 12 months or less including commercial paper, banker's acceptances, certificates of deposit and government securities.

COMMENTARY (MARCH 2021)

Joe Biden's \$1.9 trillion fiscal stimulus plan, general EU fiscal support, UK Chancellor Rishi Sunak's extension of coronavirus support measures in his budget, as well as continued Covid-19 vaccine rollouts (albeit with regional disparities), lifted investor sentiment. The multi-cash component was flat for the period, whilst the currency strategy outperformed. The Carry factor was a standout performer, amid a steeper US yield curve and optimism around the re-opening of the global economy. However, the Value and Trend factors underperformed. In Carry, the long position in the Norwegian krone and short positions in the Swiss franc and Euro (EUR) added value. The EUR struggled as rising coronavirus cases led to new lockdown restrictions in several countries. Vaccine concerns also continued to weigh on the single currency. In Value, long positions in the Japanese yen (JPY) and EUR detracted. Hopes for a global economic recovery and increasing investor appetite for riskier assets resulted in low demand for the safe-haven yen. In Trend, the long positions in the British pound and EUR negatively impacted performance. However, the short position in the JPY was rewarded as the currency depreciated over the month.

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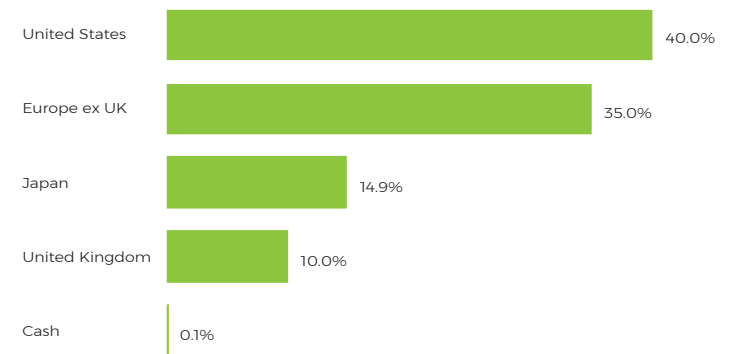
STRATEGY PERFORMANCE

Gross USD Performance

Table with 3 columns: Period, Strategy, Benchmark. Rows include 3 months, 1 Year, 3 Years, 5 Years, 10 Years, and Since inception.

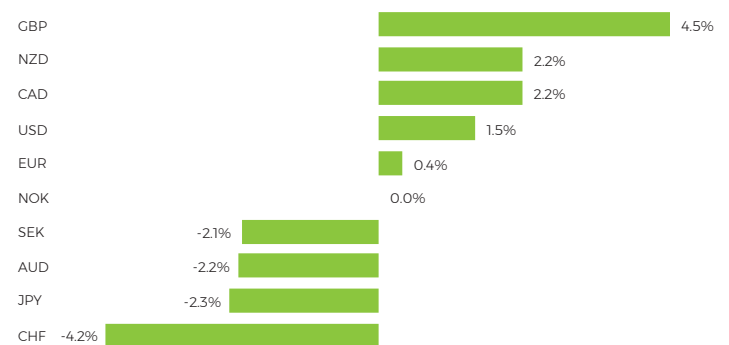
Source: Old Mutual Investment Group. Returns for periods greater than 1 year are annualised.

REGIONAL ALLOCATION



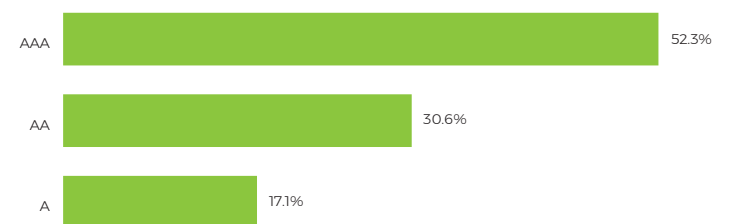
Source: Old Mutual Investment Group.

CURRENCY POSITIONS RELATIVE TO BENCHMARK



Source: Old Mutual Investment Group.

CREDIT RATING



Source: Old Mutual Investment Group.

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