



OLD MUTUAL NAMIBIA MANAGED FUND

DECEMBER 2024

FUND INFORMATION

RISK PROFILE



RECOMMENDED MINIMUM INVESTMENT TERM



FUND OBJECTIVE

This fund aims to achieve long-term inflation-beating growth. The fund has a growth asset bias and will invest more heavily in shares. The portfolio manager actively allocates to other asset classes to take advantage of changing market conditions and to manage the fund's volatility.

WHO IS THIS FUND FOR?

This fund is suitable for investors wanting moderate to high long-term growth, with less volatility in the short term than pure equity. It is suitable as a standalone retirement investment.

INVESTMENT MANDATE

The fund is exposed to all sectors of the Namibian and South African market (shares, bonds & property). This fund complies with Namibian retirement fund legislation.

BENCHMARK:	Category average
RISK OBJECTIVE:	Lower volatility than competitor funds
FUND CATEGORY:	Namibia Managed Prudential Funds
FUND MANAGER(S):	Graham Tucker (Old Mutual Investment Group)
LAUNCH DATE:	15/11/1999
SIZE OF FUND:	N\$874m

DISTRIBUTIONS: (Half-yearly)			
Date	Dividend	Interest	Total
31/12/2024	8.13c	16.66c	24.79c
30/06/2024	9.45c	15.37c	24.82c

FUND COMPOSITION

ASSET & PERCENTAGE ALLOCATION	
International Equities	29.9%
Industrials	18.2% (1.7%)
Financials	12.6% (9.8%)
Liquid Assets	8.9%
7 - 12 Year Bonds	8.1%
12+ Year Bonds	7.4%
1 - 3 Year Bonds	6.4%
Resources	5.1% (1.5%)
3 - 7 Year Bonds	2.1%
Property	1.2% (0.6%)

Namibian Exposures in brackets

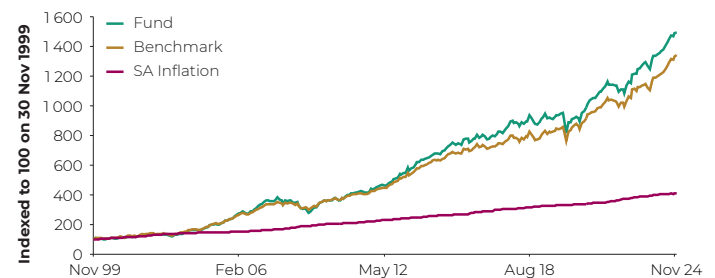
FUND PERFORMANCE AS AT 31/12/2024

	% PERFORMANCE (ANNUALISED)					
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception*
Fund	11.6%	8.7%	9.5%	7.8%	7.9%	11.4%
Benchmark	12.8%	8.3%	9.6%	8.0%	7.5%	10.9%

* Performance since inception of the fund.
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)	45.0%	12.0%	-23.2%

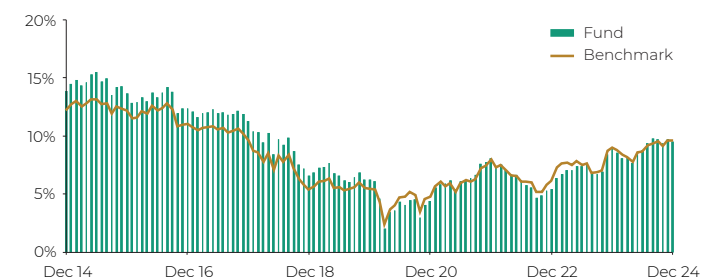
Performance Since Inception



Past performance is no indication of future performance.

Risk Statistics (Since Inception)	
Maximum Drawdown	-26.9%
Months to Recover	20
% Positive Months	68.4%
Annual Standard Deviation	9.5%

5-Year Annualised Rolling Returns (Fund vs Benchmark)



PRINCIPAL HOLDINGS

HOLDING	% OF FUND
GC32 9.0 15/04/2032	5.0%
GC27 8.00% 15/01/2027	4.5%
GC40 9.8 15/10/2040	3.3%
GC35 9.5% 15/07/2035	3.2%
Naspers Ltd	3.0%
FirstRand Namibia NSE	2.7%
Namibian Standard Bank Group NSE	2.6%
Namibian TBL 02/05/2025	2.2%
FirstRand Namibia Ltd	1.7%
Prosus NV	1.6%

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

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FUND MANAGER INFORMATION



GRAHAM TUCKER | PORTFOLIO MANAGER

- BSc Actuarial Science (Hons), CFA
- 24 years of investment experience

FUND COMMENTARY

In 2024, global equities were up 17.5% (in US dollars) despite losing ground marginally over the quarter. This was led by the US, which gained 24.5% over the year and follows last year's 20% plus return from the index. The last time this occurred in two consecutive years was the late 1990s. While interest rate cuts around the world meant financials did well, a large part of the performance is due to a surging Magnificent Seven. These US mega caps were up 67% in the year resulting in Growth outperforming Value significantly again (24% vs 11%), while the US dollar had another year of strength against most currencies.

Over the quarter, as Trump started to take the lead in and eventually be elected the next US president, global bonds sold off significantly (Bloomberg Global Aggregate down 5% in US dollars) given his likely inflationary policies. For the year, even though global credit spreads tightened, global bonds were down 1.7% for the year.

In South Africa, the local Capped Swix index gave up 2% (in rand) over the quarter to bring the full year return to 13.4%. The strong US dollar during

the quarter hurt local resources counters and these were down over 9%, excluding dividends. This brought their price return to -11% over the year, while the Naspers/Prosus complex was up 35%.

During the year, bond yields dropped post the formation of the GNU and then held at lower levels. Interest rate sensitive sectors benefitted strongly from this over the year with the SA All Property Index up 30%. Excluding dividends, South African financials were up over 16% and South African retailers were up over 36% in 2024. South African bonds outperformed South African equities in aggregate and, while flat over the quarter, were up over 17% in rand for 2024.

The Namibia Managed fund delivered double-digit absolute returns during the year but underperformed the peer group. Over the last five years, the fund has delivered in line with peers and is ahead of peers over the last 10 years. However, both these longer periods have seen lower absolute returns. The better performance over the last year was driven by the strong performance of risk assets. Over the longer periods, South African equity returns have disappointed. Global equity performed well, though it has been somewhat limited to the US equity market with much of the rest of the world, including emerging market, lagging.

We remain firm in the view that the South African recovery will continue into 2025 and, as such, expect assets linked to this recovery to deliver good

returns. Accordingly, the fund is tilted towards local and South African assets with the view being expressed via positions in Namibian nominal bonds, banks and clothing retailers. However, rather than simply allocating to the cheapest of these recovery beneficiaries, we have looked to manage the risk of disappointment through the addition of higher quality names during the year, with Capitec, Clicks and AVI being examples.

Turning to the global portion of the fund, the big event in the fourth quarter was the US election. The bond market found some comfort in the proposal that Scott Bessent will soon head up the US Treasury department. We used this strength to reduce the exposure to US nominal bonds, which we believe will come under pressure from greater fiscal and more inflationary policies, as well as higher debt servicing costs.

As we enter 2025, investors will undoubtedly continue to be tested. The global impact of US policy will be key. China remains weak and needs to stave off deflation and improve growth. South Africa is on the recovery path but needs to ensure it isn't another flash in the pan. While we believe the fund is well placed for the current environment, should the facts change, we will make the necessary changes to access the opportunities and manage the risks.

Source: Old Mutual Investment Group as at 31/12/2024

OTHER INVESTMENT CONSIDERATIONS

MINIMUM INVESTMENTS:

- Monthly: N\$100
- Lump sum: N\$300
- Ad hoc: N\$100

CHARGES:

The buying price of units includes the following charges:

- An initial charge of maximum 5%, which may include commission.

	Admin	Commission
< N\$100 000	2%	Max. 3%
≥ N\$100 000	0.25%	Max. 3%

- Compulsory charges of 0.38%.

Annual service fee: 1.00%

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.

Total Expenses (30/09/2024)	
Total Expense Ratio (TER)	1.28%
Transaction Cost (TC)	0.08%
Total Investment Charge	1.36%

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Figures as at 31 December 2024, based on a lump sum investment excluding charges (bid-bid prices). Source: Morningstar. To ensure that the portfolio is always managed in accordance with its mandate, Old Mutual Unit Trusts Namibia reserves the right to close the fund to new investors. Unit trusts are generally medium- to long-term investments. Past performance is no indication of future growth. It is important that you are prepared for some shorter-term fluctuations 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. The daily price is the current value of the fund's assets plus interest income (minus expenses) divided by the number of units in issue. The fund's 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. You can easily sell your investment at the ruling price of the day (calculated at 15h00 on a forward pricing basis).