



## INVEST WITH FAITH

## OLD MUTUAL ALBARAKA BALANCED FUND

## FUND INFORMATION

## RISK PROFILE



## RECOMMENDED INVESTMENT TERM



## COMPOSITE BENCHMARK:

45% Customised SA Shari'ah Equity Index, 10% S&P Developed Markets Large and Mid-Cap Shari'ah Index, 40% STeFI Composite Index less 0.5% p.a. & 5% US Dollar 3-Month Cash Index

## PERFORMANCE TARGET:

To outperform the benchmark over rolling 3-year periods.

## ASISA CATEGORY:

South African – Multi-Asset – Medium Equity

## FUND MANAGER(S):

Maahir Jakoet & Fawaz Fakier  
(Old Mutual Investment Group)

## LAUNCH DATE:

12/11/2010

## SIZE OF FUND:

R5.5bn

## DISTRIBUTIONS: (Half-yearly)\*

Date	Dividend	Shari'ah Permissible Income	Total	Total %
31/12/2024	1.74c	4.29c	6.03c	1.47%
30/06/2024	2.18c	3.52c	5.71c	1.43%

\* Class A fund distributions

## TAX REFERENCE NUMBER:

1466/705/23/1

CODES	JSE	ISIN
<b>Class A</b>	OMFA	ZAE000135810
<b>Class B1</b>	OMAB1	ZAE000179271

## FUND OBJECTIVE

The fund aims to offer investors an ethical investment that provides steady, long-term capital growth, as well as a moderate level of income via a portfolio that diversifies across asset classes and regional exposure. 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 interpreted by the Shari'ah Supervisory Board.

## WHO IS THIS FUND FOR?

This fund is suited to investors wanting moderate to high long-term growth from their Shari'ah compliant investment, with less volatility in the short term than pure equity. It is suitable as a stand-alone retirement investment.

## 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 and the supplemental deed of the fund. Non-permissible income does not form part of the investor's income.

## INVESTMENT MANDATE

The fund is a Shari'ah compliant asset allocation fund that offers investors access to local and international asset classes including equity, liquid assets and non-equity securities, such as sukuku (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 invest up to 45% (including Africa) of its portfolio offshore.

## 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.

## CONTACT DETAILS

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



0860 234 234



[www.oldmutualinvest.com](http://www.oldmutualinvest.com)



[unittrusts@oldmutual.com](mailto:unittrusts@oldmutual.com)



[Invest now](#)

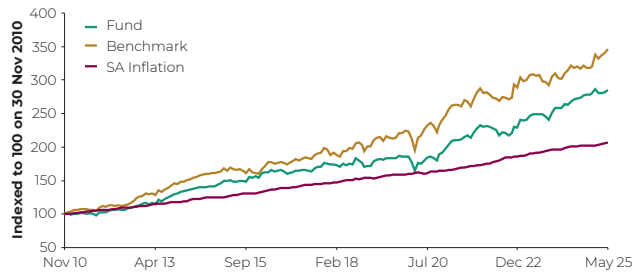


## INVEST WITH FAITH

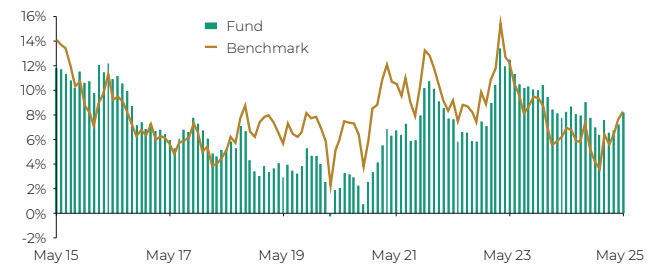
## OLD MUTUAL ALBARAKA BALANCED FUND

## FUND PERFORMANCE AS AT 31/05/2025

## PERFORMANCE SINCE INCEPTION



Past performance is no indication of future performance.

3-YEAR ANNUALISED ROLLING RETURNS  
(FUND VS BENCHMARK)

% Performance (Annualised)						
	1-Yr	3-Yr	5-Yr	7-Yr	10-Yr	Since Inception <sup>1</sup>
Fund (Class A)	7.0%	8.2%	10.3%	7.4%	6.7%	7.5%
Fund (Class B1) <sup>2</sup>	7.3%	8.5%	10.6%	7.7%	7.1%	-
Benchmark	7.9%	8.3%	9.7%	8.6%	7.6%	8.9%

<sup>1</sup> Performance since inception of the fund.

<sup>2</sup> Inception: 31 July 2013. Class B1 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)	26.6%	8.0%	-8.7%

Risk Statistics (Since Inception)	
Maximum Drawdown	-11.5%
Months to Recover	9
% Positive Months	63.2%
Annual Standard Deviation	6.6%
Sharpe Ratio	0.24

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

## FUND COMPOSITION

## ASSET &amp; PERCENTAGE ALLOCATION

SA Equities	35.9%
Old Mutual Global Islamic Equity Fund	20.8%
Sukuks	18.9%
Old Mutual Albaraka Income Fund	16.0%
Shariah Compliant Cash	6.7%
SA Property	1.7%

## PRINCIPAL HOLDINGS AS AT 31/03/2025

Holding	% of Fund
Gold Fields Ltd	2.4%
Anglo American Plc	2.3%
Harmony Gold Mining Company Ltd	2.2%
MTN Group Ltd	1.9%
BHP Group Ltd	1.6%
Compagnie Financière Richemont	1.5%
Vodacom Group Ltd	1.3%
Anglo American Platinum Ltd	1.3%
Glencore Plc	1.3%
South32 Ltd	1.2%



## INVEST WITH FAITH

## OLD MUTUAL ALBARAKA BALANCED FUND

## PORTFOLIO MANAGERS COMMENTARY AS AT 31/03/2025

OLD MUTUAL INVESTMENT GROUP

**MAAHIR JAKOET**

- BCom (Hons) UCT, MBA
- 13 years of investment experience

**FAWAZ FAKIER**

- CFA, FRM, BCom honours (Finance)
- 18 years of investment experience

Relative to the end of 2024, the first quarter of 2025 marked a significant reversal of market expectations, as trade tensions dominated market sentiment after the Trump administration implemented wide-ranging tariffs targeting China, which extended to the US' traditional allies. US markets struggled, with the S&P 500 falling 4.6% and NASDAQ declining 10.4% in dollars, its worst start since 2018. US economic data showed cooling trends, with the Atlanta Fed GDPNow projecting a US real GDP quarter one contraction of 2.8% at the end of March.

In contrast, European and Chinese markets showed strength, with Europe and China up 10.7% and 15.0% (in dollars) year-to-date, respectively. Fiscal stimulus emerged as a surprise catalyst for European markets, as Germany announced a €500 billion infrastructure fund and increased defence spending, breaking previous fiscal rules. China also implemented stimulus, including wage increases for government workers and expanded consumer programmes. Noteworthy was that emerging markets outperformed developed markets for the first time since 2017, with the quarterly return of MSCI EM of +2.4% outpacing that of MSCI World, which delivered -2.1% (in US dollars).

Volatility in the global tech sector intensified when Chinese AI startup DeepSeek released its cost-effective language model, triggering concerns about AI pricing. NVIDIA shares plunged approximately 20%, spreading weakness across the semiconductor sector.

Commodities emerged as top performers over the quarter, with gold breaking through US\$3 000 to reach historic highs (+19% year-to-date). Copper gained 25% in quarter one, while Brent crude rose to US\$77.2/bbl. The US dollar weakened significantly with DXY down 3.2% in March, as the euro strengthened 4.3% on fiscal stimulus announcements.

Domestically, the key policy news was that the budget failed to receive a GNU consensus, with the ANC and DA continuing to negotiate to reach a deal. In March, the MPC kept the key policy rate at 7.5%, as expected. However, the tone of the meeting was more balanced compared to its hawkish view in January.

In terms of domestic market performance, South African equities outperformed all asset classes with a total return of +5.9% year-to-date (in rands). Resources (+27.9%) significantly outperformed industrials, which returned +3.1%, while South African financials recorded a loss of 2%. Within resources, precious metals showed exceptional gains (+58.5% year-to-date), with companies like Harmony (+77%), Gold Fields (+67%), AngloGold (+67%) and Implats (+43%) delivering outstanding returns. South African equity laggards included energy (-13.9%), followed by consumer discretionary (-9.9%) and industrials (-8.3%). South African bonds only managed to eke out a total return of +0.7%, while property lost 3.5% over the quarter.

Among the asset classes, the underweight in domestic equity and overweight in global equity, detracted from the fund's performance relative to its benchmark. Focussing on the domestic building block, the underweight positions in materials was by far the largest detractor on a sector level. Contrastingly, the fund's underweight to communication services contributed to performance relative to the benchmark. On a security level, the fund's underweight positions in BHP and Anglo were the largest contributors to performance, while its underweight to AngloGold and overweight to Mr Price detracted most from performance.

The fund's mandate allows for a maximum of 60% in total equity, excluding property that is placed in

the ASISA Medium Equity Balanced Fund category. Due to a constrained local universe, we find a lot more breadth and diversification in our allowable global opportunity set. Therefore, our asset allocation remains overweight global, and underweight local equity relative to the benchmark. However, local equities remain the largest absolute allocation, with a natural bias to small- and mid-caps. Domestic equity is currently attractive given the current investment climate, and the additional volatility regarding President Trump's policies does not help the case for global equities. Within fund's domestic exposure, it is underweight consumer discretionary and healthcare relative to the benchmark, and overweight communication services and information technology. Furthermore, within the fund's global equity exposure, it remains underweight the US and underweight tech – specifically the Mag7. The fund is underweight industrials and consumer staples relative to the benchmark and overweight the energy and financial sector. A large portion of the fund is exposed to Sukuk, which provides stability and diversification. The rate-cutting seems to have paused, therefore, we continue to buy longer-duration Sukuk.

Our inhouse Macro-Economic indicators hover within 'Slowdown' territory due to the recent PMI print; therefore, we remain cautious about global growth. We have mentioned previously that the sky-high optimism regarding US exceptionalism warrants caution and, moreover, a quality portfolio. We build portfolios that have positive exposures to quality, value, and growth factors. The fund's dominant style exposure is to quality, which is more defensive and should hold up well in an environment of higher volatility. Buckle up, we have been here before. Investing is a long-term game.

Source: Old Mutual Investment Group as at 31/03/2025

## OTHER INVESTMENT CONSIDERATIONS

## ONGOING

	Class A	Class B1
Annual service fees (excl. VAT)	1.25%	1.00%

Please note: Class B1 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) (31/03/2025)	36 Months		12 Months	
	Class A	Class B1	Class A	Class B1
Total Expense Ratio (TER) Incl. VAT	1.49%	1.20%	1.49%	1.20%
Transaction Cost (TC)	0.05%	0.05%	0.05%	0.05%
Total Investment Charge	1.54%	1.25%	1.54%	1.25%

Please note: Class B1 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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## MINIMUM INVESTMENTS

Monthly: R500  
Lump sum: R10 000  
Ad hoc: R500 (in addition to your monthly or lump sum investment)

## LOW BALANCE CHARGE

Effective from 31 March 2025, a Prescribed Minimum Balance of R10 000 per fund per investment contract will apply. Failure to maintain the Prescribed Minimum Balance in any such fund will result in a Low Balance Charge\* of R30 per month excluding VAT being incurred. However, if there is an existing monthly debit order of a minimum of R500 into each underlying fund within your investment contract, the Low Balance Charge will not apply. Please refer to the [link for a full disclosure](#) on how the Low Balance Charge will apply to your investments.

\* This charge will not apply if investing via investment platforms such as Old Mutual Wealth.

## INITIAL CHARGES (Excl. VAT):

Initial adviser fee will be between 0% and 3.00%.

## DISCLOSURES

**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.
- Investments in unit trusts should ideally be a medium- to long-term strategy that takes cognisance of the Recommended Investment Term of each individual fund as stipulated in its Minimum Disclosure Document. A fund's or an investment strategy's ability to provide benchmark performance, or to achieve its performance target over its Recommended Investment Term on a net of fee basis may be impacted by market illiquidity, differences in fund and market pricing points, concentration risk and other local (and where applicable global) events, such as market- and political developments, macro-economic factors and healthcare risks such as Covid-19, amongst others. Your fund value may therefore go up or down and the investment capital or return on your investment is not guaranteed. 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](http://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.
- Excessive daily withdrawals from the fund may place the fund under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and/or managed payouts over time may be followed.
- 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.
- 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 31 May 2025. Sources: Morningstar and Old Mutual Investment Group (FSP no. 604).

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.

Trustee: Standard Chartered Bank, PO Box 782080, Sandton 2146. Tel: +27 11 217 6600, Fax: +27 11 217 6642.

## CONTACT DETAILS

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



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