



OLD MUTUAL UNIT TRUSTS AUGUST 2011 NEWSLETTER

Dear valued Client,

A lot has happened since our last newsletter in April. The Balanced Fund has shown remarkable growth at 10.53% on a year to date basis. The Equity Fund growth has dropped to 2.4% on a year to date basis. This position is a reflection of the performance of the underlying counters. Remember the same fund had grown by 10.79% in April on a year to date basis. The Equity funds have been subdued by the continued uncertainty around the issue of Indigenisation legislation and compliance.

The Gross Money Market Fund and the Money Market Fund have held very well offering some of the best US\$ interest rates by international comparisons. We have seen significant growth in our Gross Money Market Fund portfolio showing the confidence that schools and non-taxable organizations have in the money market.

OMUT AT A GLANCE

- The minimum account balance remains at **US\$100.00**.
- **Debit order** form attached for your convenience. Debit order facility offered through Cabs, Stanchart, Stanbic, Barclays and CBZ.
- Fund Performance as at 31st of August 2011;
 - Money Market Fund closed the month at **8.16 % pa**.
 - Gross Money Market Fund closed the month at **10.54% pa**.
 - Balanced Fund ended the month with a year to date return of **10.53 %**. The bid and offer prices closed the month at **\$0.0000203** and **\$0.0000214** respectively.
 - Equity Fund ended the month with a year to date return of **2.4%**. The bid and offer prices closed the month at **\$0.0017298** and **\$0.0018208** respectively.

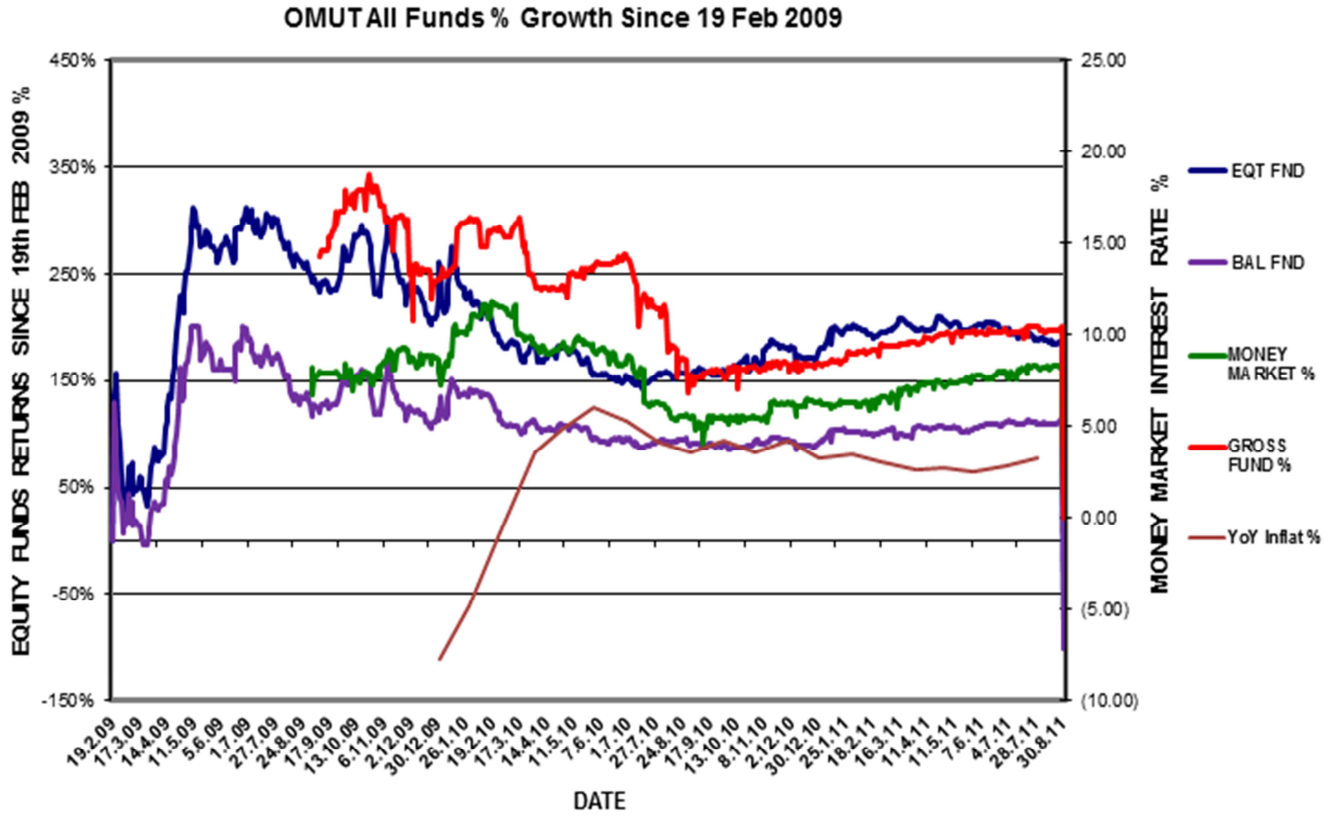


MARKET OVERVIEW BY THE FUND MANAGERS- OLD MUTUAL INVESTMENT GROUP (OMIG)

- The benchmark industrial index shed 1.93% while the mining index shed 3.97% in the month ended 31 August 2011. On a year to date basis the industrial index posted a positive return of 6.12% and mining index a negative return of 17.9%. The total ZSE market capitalisation shed 1.62% to US\$4.10 billion, compared to US\$4.16 billion in the preceding month. The July month on month inflation was 0.26%, pushing year to date inflation to 3.02%. Year on year inflation firmed from 2.86% in June to 3.02% in July 2011.
- Money market interest rates remained within the 0.15% to 15%, range in the 30-365 day investment horizons. Significant activity was in the 90- 180 day investment horizons .We expect rates to largely remain unchanged as liquidity is not expected to improve significantly within the next 12 months.
- The equity market traded mixed for the month of August ahead of the reporting season. This was amid renewed indigenisation calls with banks being given an ultimatum for compliance. Average daily trades were lower from US\$2.5m in June 2011 to US\$2.0m in August 2011. The impact of indigenisation calls is expected to subdue performance of the equity market.



ALL FUND PERFORMANCES SINCE DOLLARISATION TO THE 30TH AUGUST 2011



The OMUT team remains available for any queries you may have. Thank you for your support.

Yours Sincerely

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Unit Trusts

DEBIT ORDER INSTRUCTION FORM

OUR FAX NUMBER: - 336457

Your Personal details

Account name Account number

Address

Home (Phone) Work

Email Address

Your Bank details

Bank/Building Society..... Branch..... Branch Code

Account Name.....Account Number.....

NB: - PLEASE supply proof of bank account in your name e.g. bank statement

I/We authorize Old Mutual Unit Trust Management Company (Pvt) Ltd to debit my/our account with the monthly amount shown below on the 1st/23rd day of each month (delete inapplicable) with effect from..... (State start month, a calendar months' notice is required). OMUT will not be liable for losses arising from non-collection of debit orders.

Debit order amount (Minimum \$25.00)

Fund	Amount	Fund	Amount
Equity Fund		Gross Fund (55yrs & over)	
Balanced Fund		Money Market	

Your Preferred Debit Order Operating Date (Please tick box)

1st of the month 23rd of the month

I/We are investing in Old Mutual Unit Trusts and are fully aware of the volatility of the stock markets and the money markets and accept that our unit may increase or decrease in value over the life of the investment and that the daily interest rates and unit prices quoted in the press and other communication media are indicative. I/We agree not to hold Old Mutual Unit Trust Management Company responsible for any loss in value of my investment.

Conditions subscribed to on the account opening form apply.

Signature(s) unit holder..... Date.....

Capacity.....

Introducer's details

Name..... Code.....

Contact Telephone Numbers.....