



# FUND PERFORMANCE

FOR INVESTMENTS THROUGH THE  
OLD MUTUAL WEALTH PLATFORM

JUNE 2017

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This booklet contains information about the Old Mutual Wealth funds currently available through our products. The information is updated monthly.

Please note that past performance is not a guide to future performance. You should read Old Mutual Wealth's relevant product literature before considering any product or service. Please consult your financial adviser before making any investment decisions.

Old Mutual Wealth does not provide advice on selecting investments.

# FUND STATISTICS IN OUR FUND RANGES

## QUARTILE RANK

This is a rating of performance on a scale of 1 to 4, where 1 is best and 4 is worst. The entire performance range of a sector is divided into 4, with each quartile rank corresponding to 25% of the range. Quartile ranks are based on a fund's main unit or share type according to Financial Express. Percentage growth figures are based on the specific fund unit or share class available through Old Mutual Wealth.

## MORNINGSTAR ANALYST RATINGS

Ratings awarded are Gold, Silver, Bronze, Neutral and Negative (G,S,B,N and i).

There are several key factors which lead to the final Morningstar Rating determination, including the strength of investment process and length of time it and the investment team have been in place, durable investment style and a strong and consistent past performance record, with favourable risk adjusted returns.

The Morningstar Ratings are more focused towards qualitative appraisals.

## CITYWIRE RATINGS

Citywire considers all managers who run actively managed retail funds, assigning ratings to managers who achieve or exceed demanding 36-month risk-adjusted returns thresholds. Of those that are given a rating:

- AAA goes to the top 10%
- AA goes to the next 20%
- A goes to the next 30%
- + goes to the remaining 40%

## RAYNER SPENCER MILLS FUND RATING

Rayner Spencer Mills use quantitative research to provide a forward-looking view of a manager's ability to deliver strong, consistent performance and face to face meetings to gain a qualitative view of the manager's approach. A rating scale is not used and a fund is either R (R) or Under Review (U).

## SECTOR AVERAGES

Sector averages denote the average performance of all funds within that particular sector for the period. Sector classifications are governed by Financial Express.

## LOOKING FOR A FUND'S AMC OR TER?

### For our platform funds only

Following the implementation of the Retail Distribution Review or RDR on 31 December 2012, we now operate three different Charge Bases on our platform depending on the type of Old Mutual Wealth Charge applicable for an account and how the financial adviser is paid for their advice (see [www.oldmutualwealth.co.uk/rdr](http://www.oldmutualwealth.co.uk/rdr) for more information). Old Mutual Wealth receives rebates on the fund manager's Annual Management Charge (AMC) for each fund and this is distributed differently for each Charge Basis. This means that a fund's Total Expense Ratio (TER) will vary depending on the Charge Basis of an account.

Consequently, 'Our fund ranges' no longer displays AMC or TER figures for our platform funds, and these can be found in the Funds lists for Charge Bases 1, 2 and 3 available at [www.oldmutualwealth.co.uk/literaturelibrary](http://www.oldmutualwealth.co.uk/literaturelibrary)

# HOW TO USE INDICATOR

**THE INDICATOR PROVIDES UK INVESTORS WITH A 12-MONTH STOCK MARKET OUTLOOK FROM A SELECTION OF FUND GROUPS LINKED TO OLD MUTUAL WEALTH. WE PROVIDED THE FUND GROUPS WITH A RANGE OF SECTORS AND ASKED THEM HOW THEY THINK EACH SECTOR WILL PERFORM OVER THE NEXT 12 MONTHS.**

These views are not fund specific. We have asked the fund groups to provide an outlook for each sector as a whole.

## POSITIVE CURRENCY OUTLOOK

If the Indicator shows a positive view for the US\$, Euro or Yen, this represents a view of sterling depreciating against that currency, which will have a positive impact on the returns from overseas investment.

**Example: £1 = YEN 100**

You, as an investor, buy Japanese shares costing YEN 100. After buying your shares, sterling depreciates to £1 = YEN 90, this means you only need YEN 90 to buy back your original £1. You have YEN 100 which, divided by the exchange rate of £1/YEN 90, actually gives you £1.11.

If the fund group view for Japanese equities is positive and their outlook for the £/YEN is positive, then the overall outlook for the UK investor into Japan is positive. This is because the positive currency outlook increases the returns to the investor from the equity investment.

## NEGATIVE CURRENCY OUTLOOK

If the Indicator shows a negative view for the US\$, Euro or Yen, this represents a view of sterling appreciating against that currency, which will have a negative impact on the returns from overseas investment.

**Example: £1 = YEN 100**

You, as an investor, buy Japanese shares costing YEN 100. After buying your shares, sterling appreciates to £1 = YEN 110, this means you will need YEN 110 to buy back your original £1. You have YEN 100 which, divided by the exchange rate of £1/YEN 110, actually gives you £0.91.

If the fund group view for Japanese equities is positive but their outlook for the £/YEN is negative, then the UK investor would need to exercise a degree of caution when considering the Japanese market. This is because currency movements could adversely affect the positive equity returns.

## INDICATOR CATEGORIES

The outlook provided by the fund group for equities ignores the effect that currency movements can have on the market. For example, if the fund group believes the US outlook is positive, but believes the strength of Sterling will be a deterrent for UK investors, they will still show a positive outlook for the US market.

The outlooks for equities, bonds and property relate to the specific indices shown in the 'benchmarks and market movements' table below the indicator grid. The performance information shown in this table is calculated in Sterling terms.

The currency outlook provides an outlook for Sterling-based investors.

## OUTLOOK GUIDELINES

### ▲ A POSITIVE OUTLOOK

the fund group believes the sector will perform positively over the next 12 months.

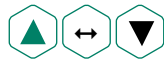
### ↔ A NEUTRAL OUTLOOK

the fund group believes the sector's performance will be relatively neutral over the next 12 months with largely neither positive or negative performance.

### ▼ A NEGATIVE OUTLOOK

the fund group believes the sector will perform negatively over the next 12 months.

# INDICATOR



## JUNE 2017

These are Investment House views and are not fund-specific.

- ▼ Negative
- ↔ Neutral
- ▲ Positive
- View not provided
- ↑ Positive shift
- ↓ Negative shift

	Equities								Property	Bonds			Currencies			
	UK	UK Smaller Companies	US	US Smaller Companies	Europe	Japan	Pacific ex Japan	Emerging Markets	Property	UK Government	UK Corporate	Global	£/\$	£/Euro	£/Yen	
Aberdeen*	↔	–	↔	–	↔	↔	▼	↔	↔	↔	↔	↔	↔	▼	↓	▼
Aviva Investors	▼	▼	↔	↔	▲	↔	↔	▲	↔	▼	▼	↔	↔	↔	↔	↔
Barings	↔	↑	↔	↑	▼	▼	▲	▲	↔	▼	▼	↔	↔	▲	↔	↔
BNP Paribas	▼	↔	↑	↔	↑	↔	↔	↔	↔	↓	↔	↑	↔	↔	↔	↔
BNY Mellon	▲	↔	▼	↔	▲	▲	↔	▲	↔	▼	▼	↔	↔	↔	↔	▼
BMO	▼	▼	▼	▼	▲	▲	▼	▲	–	▼	▲	↑	↔	–	–	–
Columbia Threadneedle	↔	↔	▼	↓	▼	▲	▲	▲	↔	▲	▼	↔	▼	↓	↔	▼
Fidelity**	▼	–	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Janus Henderson	↔	↑	▼	▼	▼	↔	▲	↑	▲	↑	▲	↑	↔	↔	↔	↔
HSBC	↔	↑	–	↔	↑	–	▲	▲	▲	▲	▲	↔	↑	–	–	–
Invesco Perpetual	↔	↔	↔	↔	↔	▲	↔	▲	↔	↔	▼	▼	▼	↔	↔	↔
Investec	▼	↔	▲	↔	↔	▲	↔	↔	↔	↔	▲	↔	▲	▲	▲	▲
JPMorgan	▼	–	▲	–	↔	▲	–	▲	–	–	–	–	–	–	–	–
M&G	▲	▲	↔	↔	↔	▲	▲	▲	↔	↔	▼	↔	↔	▲	▲	▲
Pictet	▲	↑	▲	↑	▼	↔	↔	▲	▲	↔	▼	▼	▼	▼	↓	▼
Rathbones	↔	↔	▼	▼	▼	▲	↔	▼	▼	▼	↔	▼	↔	↔	↔	▲
Schroders	▼	↓	↔	↔	↔	▲	↔	▼	↓	▲	–	↔	↔	▲	↑	▼
Concensus	↔	▼	↔	↔	▼	↔	▲	▲	↔	▲	↔	↔	↔	↔	↔	▲
Indices Monthly % Performance	3.58	3.54	1.55	-0.76	5.35	4.05	3.56	3.52	1.23	1.12	1.38	1.76	0.22	3.49	1.02	

\* This is the view of the Aberdeen Solutions Team, they do not represent those of Aberdeen Asset Management PLC or of other underlying investment teams. These views are general indicators and do not specify a numerical value in relation to their outlook.

\*\* This is the view of Fidelity Multi Asset Tactical Asset Allocation team. It does not represent those of Fidelity Multi Asset, or Fidelity International more broadly. These views give an overall sense of our investment view, but do not indicate a specific numerical value or index in relation to their outlook.

## BENCHMARKS AND MARKET MOVEMENTS

percentage growth

Equities	3 months	6 months	1 year	3 years	5 years	10 Years
UK	6.70	14.12	21.59	26.47	84.82	70.32
UK Smaller Companies	11.19	22.10	27.56	41.20	124.79	116.33
US	-0.93	7.01	31.37	61.98	121.79	151.63
US Smaller Companies	-3.54	2.51	35.12	59.31	123.05	189.71
Europe	11.89	20.87	32.70	38.39	119.29	76.74
Japan	1.70	7.35	31.90	62.32	102.76	76.69
Pacific ex Japan	5.13	13.10	40.70	45.69	74.12	124.47
Emerging Markets	5.13	14.96	42.40	34.38	48.48	80.08
<b>Property</b>						
Property	0.96	5.09	9.32	26.31	51.65	12.40
<b>Bonds</b>						
UK Government	1.74	4.45	8.06	25.28	23.83	81.93
UK Corporate	2.34	5.56	9.48	18.77	36.21	65.35
Global	0.80	3.07	13.16	20.05	26.26	92.13

**Past performance is not a guide to the future. The value of units may fall as well as rise.**

Source for all performance information: FE Analytics. Total return, bid to bid, over period 31 May 2007 to 31 May 2017. All asset classes are represented by the equivalent IA sector average.

# OLD MUTUAL GLOBAL INVESTORS MULTI-ASSET SOLUTIONS

## SPECTRUM

### HOW THE FUND WORKS

**SPECTRUM IS AN INNOVATIVE RANGE OF RISK-TARGETED FUNDS THAT BRING GREATER PRECISION TO THE MANAGEMENT OF YOUR INVESTMENT JOURNEY BY MATCHING AN APPROPRIATE FUND TO AN ACCEPTABLE LEVEL OF RISK.**

It works by using the pioneering Old Mutual Wealth Risk Profiler to determine an investor's appetite for risk by way of a risk 'score' between 1 and 10. This can be matched directly to the strictly risk-controlled Old Mutual Spectrum Fund that has the most suitable risk-return characteristics.

The Spectrum solution offers a range of six funds, designed to meet the requirements of investors with an Old Mutual Wealth risk level of 3 to 8. Historically, more than 95% of investors fall within risk profiles 3 to 8, which is why the Spectrum Funds have been built to match these profiles. Each fund will have an asset allocation designed to maximise the expected returns for a given level of risk.

### MORE INFORMATION

You can find more information about this range of funds on our website at [www.oldmutualwealth.co.uk/spectrum](http://www.oldmutualwealth.co.uk/spectrum) or speak with your financial adviser.

**The Spectrum funds will become the Creation Portfolios on 3 July 2017.**

## GENERATION

### HOW THE FUND WORKS

**GENERATION SEEKS TO ENABLE YOU TO DRAW INCOME FROM YOUR RETIREMENT SAVINGS WHILE REMAINING INVESTED IN MARKETS VIA A RANGE OF THREE MULTI-ASSET PORTFOLIOS. THE PORTFOLIOS AIM TO GENERATE A TOTAL INVESTMENT RETURN OF EITHER 3%, 4% OR 5% AHEAD OF INFLATION, OVER THE MEDIUM TERM, OFFERING THE POTENTIAL FOR CAPITAL GROWTH.**

At the same time, the managers are aware of the impact of market falls on your investments when you are drawing an income. The portfolios are therefore managed with a focus on the short-term risks posed by markets and attempting to avert them, while keeping an eye on the longer-term goals of the portfolios.

The funds draw on the expertise of Old Mutual Global Investors' award winning in-house multi-asset team. These skills include manager research and selection, proven asset allocation skills and the ability to access a wide range of high-quality investment managers globally.

### MORE INFORMATION

To find out more about how the Generation funds work, and whether they might be suitable for your needs, please speak to your financial adviser.

# FUND-SPECIFIC GROWTH RATES USED FOR OLD MUTUAL WEALTH ILLUSTRATIONS

## THE FINANCIAL CONDUCT AUTHORITY (FCA) TELLS INVESTMENT, LIFE AND PENSION PROVIDERS HOW THEY MUST CALCULATE THE POTENTIAL FUTURE VALUE OF LIFE ASSURANCE, PENSION AND INVESTMENT ACCOUNTS FOR USE IN ILLUSTRATIONS.

Because future investment returns are uncertain, we generally use three scenarios of projected growth – high, mid and low. The FCA sets the maximum percentages to be used. From 6 April 2014 these reduced from 5%, 7% and 9% for pensions and ISAs to 2%, 5% and 8% per year and from 4%, 6% and 8% to 1.5%, 4.5% and 7.5% for other investments.

The FCA had previously stated that these rates must be adjusted to lower rates if we think that standard rates could overstate the potential growth of any of the funds held in a particular investment. These rates are known as ‘fund-specific’ growth rates and they are used to ensure the projections are realistic.

From 6 April 2014 we have applied fund-specific growth rates in illustrations for all investment products, Life and Bond products and all Old Mutual Wealth pension contracts including the Personal Pension Income Plan.

The table below shows the fund-specific growth rates we use.

As the following table shows, each fund is allocated a fund type from A to G based on the type of assets held by the fund at a fixed point in time. The type determines the growth rates used in the calculations for that fund.

### TABLE OF FUND-SPECIFIC GROWTH RATES

Fund type		Typical holding	CIA and Life products			ISA and Pension products		
			Low	Mid	High	Low	Mid	High
<b>Type A</b>	Cash deposit	Only applicable to ISA and CIA	-2.00%	1.00%	4.00%	-1.50%	1.50%	4.50%
<b>Type B</b>	Money markets	Mainly cash/money markets or combined cash/money markets and fixed interest	-2.00%	1.00%	4.00%	-1.50%	1.50%	4.50%
<b>Type C</b>	Fixed interest	Mainly fixed interest	-1.50%	1.50%	4.50%	-1.00%	2.00%	5.00%
<b>Type D</b>	Low mixed	Mixed holdings, with at least half in cash/money markets and/or fixed interest	-0.25%	2.75%	5.75%	0.25%	3.25%	6.25%
<b>Type E</b>	High mixed	Mixed holdings, with less than half in cash/money markets and/or fixed interest	1.25%	4.25%	7.25%	1.75%	4.75%	7.75%
<b>Type F</b>	Equity	Mainly equities	1.50%	4.50%	7.50%	2.00%	5.00%	8.00%
<b>Type G</b>	Property	Mainly direct holdings in property	0.25%	3.25%	6.25%	0.75%	3.75%	6.75%

The projections for each fund in a plan, account or bond are calculated using the relevant fund-specific rates. These are then totalled to provide the combined projection for each of the low, mid and high growth scenarios. We also show an equivalent growth rate for each of the three scenarios on the illustration for information.

The low, mid and high growth rates used in the above table are worked out using research data provided by an independent company. They are not guaranteed and they are not minimum or maximum rates. We review growth rates each quarter and fund classifications each year. The last rates review and the last classification review were in April 2017.

An up-to-date list of funds and fund types can be found in the fund statistics section of this document. Please refer to the ‘Fund Type’ column.

### EXAMPLE:

To illustrate the potential future growth of a £10,000 investment in a Collective Investment Account (CIA) with 60% into an equity fund (type F) and 40% into a fixed interest fund (type C), we would calculate as follows:

**Low growth rate:** Equity Fund £6,000 growing at 1.50% a year  
Fixed Interest Fund £4,000 growing at -1.50% a year

**Mid growth rate:** Equity Fund £6,000 growing at 4.50% a year  
Fixed Interest Fund £4,000 growing at 1.50% a year

**High growth rate:** Equity Fund £6,000 growing at 7.50% a year  
Fixed Interest Fund £4,000 growing at 4.50% a year

The rates used in the above example are before charges have been deducted.





Percentage growth and quartile ranks calculated to 31 May

Annual performance % over one year to end May

SELFSELECT (CONTINUED)

TARGETED ABSOLUTE RETURN (continued)

Table listing Targeted Absolute Return funds including M+G Global Target Return, Newton Global Dynamic Bond, Old Mutual UK Opportunities, and Threadneedle Credit Opportunities. Columns include fund name, cumulative performance (3 Mths to 10 Yrs), annual performance (2017 to 2023), yield, fund type, OBSS Rating, Chywire Rating, and Rayner Sponsor.

ASIA PACIFIC EXCLUDING JAPAN

Table listing Asia Pacific Excluding Japan funds including Aberdeen Asia Pacific Equity, Allianz Total Return Asia Equity, Baillie Gifford Pacific, Fidelity Asia, and JPM Asia. Columns include fund name, cumulative performance (3 Mths to 10 Yrs), annual performance (2017 to 2023), yield, fund type, OBSS Rating, Chywire Rating, and Rayner Sponsor.

Please consult your financial adviser before making any investment decisions.







PLATFORM FUNDS

Percentage growth and quartile ranks calculated to 31 May

Annual performance % over one year to end May

SELFSELECT (CONTINUED)

GLOBAL (continued)

Table listing various global equity funds such as Investec Global Special Situations, Invesco Global Strategic Equity, JPM Global Unconstrained Equity, etc., with columns for Cumulative performance (3 Mths, 1 Yr, 3 Yrs, 5 Yrs, 10 Yrs) and Annual performance (2017, 2016, 2015, 2014, 2013), along with Fund Type, OBRSS Fund Rating, Chywire Rating, and Rayner Spencer Mils.

GLOBAL BONDS

Table listing various global bond funds such as AXA US Short Duration High Yield, Baring Strategic Bond, BlackRock Overseas Corporate Bond Tracker, etc., with columns for Cumulative performance and Annual performance, along with Fund Type, OBRSS Fund Rating, Chywire Rating, and Rayner Spencer Mils.

Please consult your financial adviser before making any investment decisions.









Percentage growth and quartile ranks calculated to 31 May Annual performance % over one year to end May

SELFSELECT (CONTINUED)

MIXED INVESTMENT 20-60% SHARES (continued)

Table with columns: Cumulative (3 Mths, 6 Mths, 1 Yr, 3 Yrs, 5 Yrs, 10 Yrs), Annual (2017, 2016, 2015, 2014, 2013), Yield, Fund Type, OBSS Fund Rating, Chywire Rating, Rayner Spencer Mils. Rows list various fund names like Fidelity Multi Asset Open Strategic, Invesco Perpetual Distribution, etc.

Please consult your financial adviser before making any investment decisions.





















Percentage growth and quartile ranks calculated to 31 May

Annual performance % over one year to end May

SELFSELECT (CONTINUED)

Table with columns: Cumulative (3 Mths, 6 Mths, 1 Yr, 3 Yrs, 5 Yrs, 10 Yrs), Annual (2017, 2016, 2015, 2014, 2013), Yield, Fund Type, OBSS Fund Rating, Chywire Rating, Rayner Spencer Mils. Includes sections: UK INDEX LINKED GILTS, UK SMALLER COMPANIES, UNCLASSIFIED, and various sub-fund entries.

Please consult your financial adviser before making any investment decisions.









For more comprehensive information about the way each fund works and its investment risks, please refer to the Key Investor Information Document or the Simplified/Full Prospectus issued in English by the fund provider.

To find out more about Key Investor Information Documents please visit our website [www.oldmutualwealth.co.uk/KIID](http://www.oldmutualwealth.co.uk/KIID)

The performance figures include all external fund management fees and (for Old Mutual Wealth Life Assurance funds) the life company's Annual Management Charge, but do not include any other product charges. All Old Mutual Wealth products are subject to their own charges as well as those reflected in the unit prices. Fund performance figures shown are not therefore an indication of the performance of any particular product.

For ISA, the performance does not allow for tax reclaims that have been available at various times in the past.

For Old Mutual Wealth Life Assurance funds invested in unit trusts or OEICs, the performance of the Old Mutual Wealth fund will not mirror the performance of the underlying fund because of product charges, taxation adjustments (where appropriate) and the life company investment process.

Where a fund invests in securities designated in a different currency to the fund, or where an underlying fund is denominated in a different currency, investments may rise and fall purely as a result of exchange rate fluctuations.

Special risks apply to emerging market funds in addition to the normal risks of investing in securities. Their prices may fluctuate considerably, and local dealing restrictions may make some securities illiquid. Investment in these funds should be regarded as long-term in nature and is only suitable for investors who understand the risks involved.

The inclusion of any particular fund in Our fund ranges does not imply that it is suitable for a particular investor. Old Mutual Wealth does not provide advice on selecting investments – investors should consult their financial adviser on the merits of any particular investment.

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Unit prices may fall as well as rise.

**You should note that past performance is not a guide to future performance.**

**Our fund ranges** is available electronically at [www.oldmutualwealth.co.uk/funds/fund-information](http://www.oldmutualwealth.co.uk/funds/fund-information)  
Please contact [ourfundranges@omwealth.com](mailto:ourfundranges@omwealth.com) for distribution enquiries.

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Old Mutual Wealth is the trading name of Old Mutual Wealth Limited which provides an Individual Savings Account (ISA) and Collective Investment Account (CIA) and Old Mutual Wealth Life & Pensions Limited which provides a Collective Retirement Account (CRA) and Collective Investment Bond (CIB).

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