



OLD MUTUAL MULTI-MANAGERS

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Dear Clients and Consultants

CORONATION GLOBAL HOUSEVIEW FUND – CHANGE OF BENCHMARKS

On 1 May 2017, Coronation will change the attribution, product and performance fee benchmarks of the Coronation Global Houseview Fund for the SA equity market from the FTSE/JSE Africa Shareholder Weighted Index (SWIX) to the FTSE/JSE Africa Capped Shareholder Weighted Index (Capped SWIX). They will also change the global equity benchmark from MSCI World Index to the MSCI All Country World Index (ACWI).

In summary, the below table illustrates the benchmark changes effective 1 May 2017.

Coronation Global Houseview Fund:

Category	Current Benchmark	New Benchmark
SA equity market	FTSE/JSE Africa Shareholder Weighted Index (SWIX)	FTSE/JSE Africa Capped Shareholder Weighted Index (Capped SWIX)
Global equity	MSCI World Index	MSCI All Country World Index (ACWI)

The change to the Capped SWIX is due to the growing concern around the single stock concentration risk within the SWIX (given that no capping applies in its construction). For this reason, Coronation consider the Capped SWIX a more suitable measure of the SA equity market's performance given that the share weightings in the Capped SWIX are capped at 10%.

The MSCI ACWI is weighted to developed markets, but includes a weighting in emerging markets as well, unlike the MSCI World Index. It covers an estimated 85% of global investable equities. Coronation thus believes that the MSCI ACWI is thus a better index to measure global equity investment management skill.

The impact on the Old Mutual Multi-Managers Managed Fund

35% of the Old Mutual Multi-Managers Managed Fund is allocated to the Coronation Global Houseview fund. There will be no cost effect to the portfolio due to the change of the benchmarks by Coronation. Coronation will manage the entire process internally.

In conclusion

We trust and agree with this decision of our fund manager. They have proven themselves time and again as being both exceptionally thorough and cautious in their research and decision-making processes. For the sake of ensuring that our Fund has the highest probability of achieving its targeted return within an appropriate level of risk, we welcome this change.

Should you have any questions regarding the above, please do not hesitate to contact me.

Kind regards



Trevor Pascoe

CEO | Old Mutual Multi-Managers

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