**Fund Objective**
This is a passive, pure equity fund which tracks the performance of the FTSE/JSE All Share Index. The fund is rebalanced quarterly and the fund therefore incurs minimal trading fees.

**Fund Strategy**
We believe that the benchmark choice and resulting returns forms the most important elements of an equity strategy - by investing in a passive vehicle the returns to investment strategies are known.

**Why choose this fund?**
*This fund is ideal for the investor who seeks the general equity market performance through a well-diversified equity portfolio at low costs.  
*This is a passive, 100% equity investment with no stock picking or asset allocation calls.  
*This fund is a pure equity fund and is therefore not Regulation 28 compliant.  
*This fund could also serve as the core component of the equity portion of a client’s portfolio.

**Top 10 Holdings**

<table>
<thead>
<tr>
<th>Securities</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naspers -N-</td>
<td>19.12</td>
</tr>
<tr>
<td>BHP GROUP PLC</td>
<td>11.28</td>
</tr>
<tr>
<td>Compagnie Fin Richemont</td>
<td>7.83</td>
</tr>
<tr>
<td>Anglos</td>
<td>7.42</td>
</tr>
<tr>
<td>AngloGold</td>
<td>3.32</td>
</tr>
<tr>
<td>Prosus NV</td>
<td>2.90</td>
</tr>
<tr>
<td>Gold Fields</td>
<td>2.77</td>
</tr>
<tr>
<td>FirstRand</td>
<td>2.57</td>
</tr>
<tr>
<td>BTI Group</td>
<td>2.25</td>
</tr>
<tr>
<td>Mondi</td>
<td>2.15</td>
</tr>
</tbody>
</table>

Top 10 Holdings as at 31 Jul 2020

**Performance (Annualised) as at 31 Jul 2020 on a rolling monthly basis**

<table>
<thead>
<tr>
<th>B2-Class</th>
<th>Fund (%)</th>
<th>Benchmark (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>1.05</td>
<td>1.58</td>
</tr>
<tr>
<td>3 year</td>
<td>2.95</td>
<td>3.63</td>
</tr>
<tr>
<td>5 year</td>
<td>3.88</td>
<td>4.58</td>
</tr>
<tr>
<td>Since inception</td>
<td>4.46</td>
<td>5.24</td>
</tr>
</tbody>
</table>

Annualized return is the weighted average compound growth rate over the period measured.

**Performance (Cumulative) as at 31 Jul 2020 on a rolling monthly basis**

<table>
<thead>
<tr>
<th>B2-Class</th>
<th>Fund (%)</th>
<th>Benchmark (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>1.05</td>
<td>1.58</td>
</tr>
<tr>
<td>3 year</td>
<td>9.10</td>
<td>11.28</td>
</tr>
<tr>
<td>5 year</td>
<td>20.95</td>
<td>25.10</td>
</tr>
<tr>
<td>Since inception</td>
<td>31.33</td>
<td>37.58</td>
</tr>
</tbody>
</table>

Cumulative return is aggregate return of the portfolio for a specified period.

**Actual highest and lowest annual returns**

<table>
<thead>
<tr>
<th></th>
<th>Highest Annual %</th>
<th>Lowest Annual %</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>6.65</td>
<td>1.05</td>
</tr>
</tbody>
</table>

---

**Fund Information**

**ASISA Fund Classification**
SA - Equity - General

**Risk profile**
Aggressive

**Benchmark**
FTSE/JSE All Share Index (J203)

**Portfolio launch date**
Dec 2012

**Fee class launch date**
April 2014

**Minimum investment**
Manual: Lump sum: R10 000 I Monthly: R500
SatrixNOW.co.za: No minimum

**Portfolio size**
R 892.1 million

**Last two distributions**
30 Jun 2020: 25.81 cents per unit  
31 Dec 2018: 38.52 cents per unit

**Income decl. dates**
30 Jun I 31 Dec

**Income price dates**
1st working day in July and January

**Valuation time of fund**
17:00

**Transaction cut off time**
Manual: 15:00  
SatrixNOW.co.za: 13:30

**Daily price information**
www.satrix.co.za

**Repurchase period**
T+3

**Fees**

<table>
<thead>
<tr>
<th>Fees (Incl. VAT)</th>
<th>B2-Class (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Advice fee (max.)</td>
<td>N/A</td>
</tr>
<tr>
<td>Manager fee</td>
<td>N/A</td>
</tr>
<tr>
<td>Advice annual fee (max.)</td>
<td>1.15</td>
</tr>
<tr>
<td>Manager annual fee</td>
<td>0.29</td>
</tr>
<tr>
<td>Total Expense Ratio (TER)</td>
<td>0.34</td>
</tr>
<tr>
<td>Transaction Cost (TC)</td>
<td>0.21</td>
</tr>
</tbody>
</table>

Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor. The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Total Expense Ratio (TER) | The Total Expense Ratio (TER) is the charges incurred by the portfolio, for the payment of services rendered in the administration of the CIS. The TER is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 1 year. The TER is calculated from 01 July 2019 to 30 June 2020. A higher TER does not imply a poor return nor does a low TER imply a good return.

The Transaction Cost (TC) is the cost incurred by the portfolio in the buying and selling of underlying assets. This is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 1 year. Obtain the costs of an investment prior to investing by using the EAC calculator provided at www.satrix.co.za

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This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary Terms Sheet.
The second quarter of 2020 was a period of many historical records. Extreme volatility continued into the quarter, but this time markets experienced one of the fastest recoveries from a global stock market crash. During the 2008 Global Financial Crisis, it took equity markets four years to recover 95% of the value from the bottom. This time markets needed only three months to recover 95% of the value from the March 2020 bottom.

For the quarter, the MSCI World Index (19.4%), MSCI Emerging Markets (EM) Index (18.1%) and MSCI USA Index (21.6%) in net US dollar all gave substantial positive returns. Emerging Latin American markets were one of the hardest hit, but in the second quarter the MSCI EM Latin American Index returned 19.1%. The MSCI South Africa Index returned 27.2% over the quarter while the MSCI China Index returned 15.3%. The euro area was also added to the list of recovering regions with the MSCI Europe Index returning 15.3% while the MSCI United Kingdom index only returned 7.8%, both in net US dollar.

The supply and demand of oil continued to be drastically altered by the Covid-19 pandemic during the quarter. After plummeting to $20 per barrel at the end of March 2020, the global shutdowns and low demand for energy plunged the oil price below $0 for the first time in history. Since then, the oil price has recovered, ending the quarter at $38 a barrel with some economies around the world reopening and having high mobility and high Covid-19 recovery rates. The gold price closed the quarter at $1 780 an ounce. The US 10-year government bond closed the quarter at 0.6% as the US unemployment rate hit a record high of 14.7% from the previous 4.4% rate.

Locally, the South African equity indices, namely the FTSE/JSE Top 40 (24.2%), FTSE/JSE All Share (ALSI) (23.2%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped SWIX) (21.6%), all extended positive gains through the quarter. For the second quarter of 2020, the FTSE/JSE All Share (ALSI) realised a positive return of 23.18%. On a 12-month rolling basis the ALSI returned a negative 3.30%.

Resources securities were the top contributors to the positive quarterly return. The top contributors were Anglo American (AGL) (+32%), AngloGold Ashanti (ANG) (+58%), BHP Group (BHP) (+32%) and Naspers (NPN) (+23%). Retailers were hardest hit during the quarter. Clicks (CLS) (-18%), Shoprite (SHP) (-14%) and Dis-Chem (DCP) (-34%) were some of the top detractors from performance.

During the June 2020 FTSE/JSE index review Brimstone (BRN) was deleted from the index. The one-way turnover was 0.94%.

Our strategy
Satrix currently tracks the ALSI index using an optimised model. The optimised model holds between 135 and 140 shares out of a possible 151 shares at an ex-ante active risk of between 6 and 9 basis points.

Portfolio Manager(s)

The Satrix Investment Team

Management of Investments

The management of investments are outsourced to Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.
Satrix ALSI Index Fund

Glossary of Terms

Collective investment scheme (CIS) A collective investment scheme (or unit trust) comprises a pool of assets such as equities, bonds, cash and listed property, which is managed by an investment manager and is governed by the Collective Investment Schemes Control Act no 45 of 2002. Each investor has a proportional stake in the CIS portfolio based on how much money he or she contributed. The word "unit" refers to the portion or part of the CIS portfolio that is owned by the investor. The "trust" is the financial instrument that is created in order to manage the investment. The trust enables financial experts to invest the money on behalf of the CIS investor.

Equities Equities are shares that represent an institution's or individual's ownership in a listed company. These shares are also the "vehicle" through which they are able to "share" in the profits made by that company. As the company grows, and the expectation of improved profits increases, the share price will rise. Similarly, negative sentiment about the company will result in the share price falling. Shares / equities are usually considered to have the potential for the highest return of all the investment classes but also have the highest level of risk. i.e. share investments have the most volatile returns over the short term. An investment in equities should be viewed with a 7 to 10 year horizon.

FTSE/JSE All Share Index (J203) The FTSE/JSE All Share Index represents 99% of the full market cap of all the shares listed on the main board of the JSE.

Index An index is a unique grouping of shares, selected according to a pre-defined methodology e.g. largest market capitalisation or highest dividend yield. An index can be constructed to represent the overall market, a specific sector or a theme. The index performance can be used as a benchmark against which to compare active fund performances. A well-constructed index should be transparent, replicable and investable.

Linked Investment Service Provider (LISP) A Linked Investment Service Provider (LISP) is a financial institution which packages, distributes and administers a broad range of unit trust-based investments. Any investment made through these products gives an investor a single point of entry into a selection of different investments.

Market cap weighted index A market cap weighted index is created by giving weightings to shares according to the company's size (or capitalisation). The larger the company's market capitalisation, the larger its weighting in the index.

Market capitalisation (or market cap) Market capitalisation (or market cap) is the total value of the issued shares of a publicly traded company; it is calculated by multiplying the current share price by the number of shares outstanding. This value is an indication of a company's size (or capitalisation).

Passive investment Passive investment is a style of investing where a fund replicates the performance a particular market index. Passive investment vehicles include Exchange Traded Funds (ETF's) and index tracking unit trusts. These are so-called because the portfolio manager doesn't choose the underlying portfolio. They simply replicate the index they have chosen to track.

Pure equity fund A pure equity fund invests only in equities (also referred to as stocks or shares) and aims to achieve aggressive capital growth over the very long term. This type of fund will experience volatility in the short term.

Replication strategy This fund employs an optimisation strategy - it seeks to track the performance of the index by buying the securities in the index that provides the most representative sample of the index based on correlations, exposure and risk.

Tax Free Investing This Fund qualifies as a tax free investment according to section 12T of the Income Tax Act, with effect from 1 March 2015. South African individuals qualify for the associated tax benefits namely no tax on dividends, income or capital gains whilst still enjoying all the benefits of a unit trust. Note contributions to tax free investments are limited to R36 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are subject to tax penalties.

Total Expense Ratio (TER) This is the total costs associated with managing and operating an investment (excluding administration, financial planning and servicing fees). These costs consist primarily of management fees and additional expenses such as trading fees, legal fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets under management to arrive at a percentage amount, which represents the TER.

Volatility Volatility is a measure of "risk", and refers to the extent to which the price of an investment or fund fluctuates over a certain period of time. Funds with a high volatility usually offer the potential for higher returns over the longer term than low volatility funds but also the potential for significant downside.

Risk Profile (Aggressive)

This is an aggressively managed, high-risk portfolio that aims to deliver capital growth over the long term (greater than 5 years). It is designed to track the benchmark and is a pure equity fund. There may be some capital volatility in the short term, although higher returns may be expected from five years or beyond.

Additional Information

Although all reasonable steps have been taken to ensure the information on this website/advertisement/brochure is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Satrix Managers (RF) (Pty) Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors.

Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 (“CISCA”). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks as well as potential limitations on the availability of market information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Chartered Bank is the appointed trustee of the Satrix Managers Scheme.

Trustee Information

Standard Chartered Bank
Tel no.: 011 217 6600, E-mail: zatrustee.securities@sc.com

Manager Information: Satrix Managers (RF) Pty Ltd (Reg. No. 2004/009205/07). 4th Floor, Building 2, 11 Alice Lane, Sandown, 2146.

July 2020