

### INVESTMENT POLICY SUMMARY

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. 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.

### FUND INFORMATION

<b>ASISA fund classification</b>	SA - Equity - General
<b>Risk profile</b>	Aggressive
<b>Benchmark</b>	FTSE/JSE All Share Index (J203)
<b>Portfolio launch date</b>	Apr 2014
<b>Fee class launch date</b>	Apr 2014
<b>Minimum investment</b>	Manual: Lump sum: R10 000   Monthly: R500 SatrixNOW.co.za : No minimums
<b>Portfolio size</b>	R3.2 billion
<b>Last two distributions</b>	30 Jun 2024: 46.91 cents per unit 31 Dec 2023: 39.11 cents per unit
<b>Income decl. dates</b>	30 Jun   31 Dec
<b>Income price dates</b>	1st working day in July and January
<b>Valuation time of fund</b>	17:00
<b>Transaction cut off time</b>	Manual: 15:00 SatrixNOW.co.za: 13:30
<b>Daily price information</b>	www.satrix.co.za
<b>Repurchase period</b>	T+3

### TOP 10 HOLDINGS

Securities	% of Portfolio
Naspers Ltd	10.35
Firststrand Ltd	6.35
Standard Bank Group Ltd	4.60
Gold Fields Ltd	3.93
Anglo American Plc	3.88
Capitec Bank Holdings Ltd	3.65
Prosus Nv	3.43
Compagnie Fin Richemont	2.76
Mtn Group Ltd	2.50
British Am. Tobacco Plc	2.37

as at 30 Jun 2024

### PERFORMANCE (ANNUALISED)

Retail Class	Fund (%)	Benchmark (%)
1 year	8.44	9.14
3 year	10.21	10.96
5 year	9.75	10.57
10 year	7.26	8.18

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

### ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS\*

Highest Annual %	31.56
Lowest Annual %	(4.01)

### FEES (INCL. VAT)

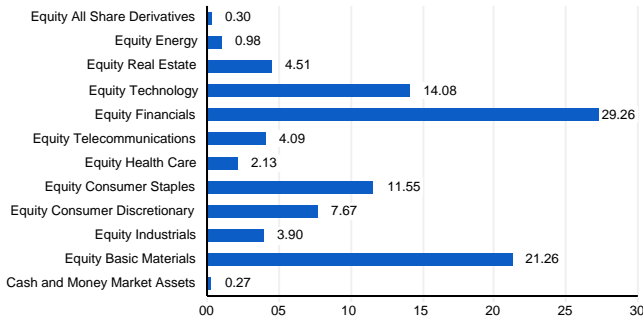
	Retail Class (%)
<b>Advice initial fee (max.)</b>	N/A
<b>Manager initial fee</b>	N/A
<b>Advice annual fee (max.)</b>	1.15
<b>Manager annual fee</b>	0.52
<b>Total Expense Ratio (TER)</b>	0.55
<b>Transaction Cost (TC)</b>	0.13

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 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 3 years. The TER is calculated from 01 April 2021 to 31 March 2024. 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 3 years. Obtain the costs of an investment prior to investing by using the EAC calculator provided at [www.satrix.co.za](http://www.satrix.co.za)

**ASSET ALLOCATION**



**PORTFOLIO QUARTERLY COMMENTARY - 30 JUN 2024**

Following a strong first quarter in terms of equity returns, the second quarter was mixed when considering different jurisdictions and asset classes. Demand for companies linked to Artificial Intelligence (AI) continued and improvements in corporate earnings in the US also drove the equity market. In addition, inflation continued to cool with some areas, like the Eurozone, starting to cut rates. Annual inflation in the US was up 3.3% and the US Federal Reserve (Fed) held rates constant while acknowledging that the anticipated rate cuts were pushed out, to start perhaps as late as December this year.

In rand terms, the second quarter of the year saw the MSCI World Index down 1%, the MSCI Emerging Markets Index up 1.2%, and the MSCI USA Index up 0.2%. The MSCI India Index was up 6.3% during the quarter, while the MSCI China Index was also up 3.3%. The MSCI Europe Index was down 3% while the MSCI United Kingdom Index was flat (-0.01%).

A rise in demand for oil and production cuts from OPEC+ influenced inventories, but oil prices were down during the second quarter. Brent crude oil ended the quarter at US\$85 a barrel, a 2.3% drop from the start of the quarter. The gold price reached an all-time high and ended the quarter up 4%, at US\$2 326.40. After a disastrous US presidential debate with current president Joe Biden and former president Donald Trump, the projections for a second term started to shift in favour of Trump. His policies on higher import tariffs, tight immigration laws and possible tax cuts were largely seen as inflationary by the markets. During this period the US 20-year Government Bond yield ticked up to 4.68% at the end of the quarter, while investors continued to take guidance from the Fed's notes on rate cuts and the upcoming US elections.

In local markets, the FTSE/JSE All Share Index (ALSI) was up 8.2% for the second quarter while the FTSE/JSE Top 40 Index (Top 40) was up 7.9%. The outperformance was largely driven by local Financials being up 17.1% for the quarter with Industrials and Resources up 4.8% and 3.4% respectively. The South African 10-year Government Bond yield closed the quarter at 10.2%, while the All Bond Index (ALBI) was up 7.5%. The cash benchmark, the Alexander Forbes Short-Term Fixed-Interest (STeFI) Composite Index, delivered positive money market returns of 2.1%, while the FTSE/JSE SA Listed Property Index (SAPY) was up 5.5% for the quarter.

President Cyril Ramaphosa was voted in for his second term as president, as several political parties agreed to form a Government of National Unity (GNU) with the ANC, which later drove a massive recovery in SA Inc. stocks in June. In their last meeting, the South African Reserve Bank (SARB) kept rates constant again, as they reiterated that interest rates may remain elevated for an extended period as the committee was sticking to its mandate of achieving its inflation targets. During the quarter, the rand appreciated by 3.6% to the US dollar, closing at R18.26 to the greenback, R23.08 to the pound and at R19.57 to the euro.

**Portfolio Performance and Changes**

In the second quarter of 2024, the FTSE/JSE ALSI Index was up 8.19%, marginally underperforming the FTSE/JSE Capped All Share Index (Capped ALSI), which had a return of 8.21%.

Financials were the star performers during the second quarter with a number of counters all returning double-digit returns. Banks' revenue growth benefited from higher interest rates and the focus of recent years on superior and increasingly digital customer experiences was leveraged, translating into higher transaction volumes. Capitec (CPI) (+27.3%), FirstRand (FSR) (+24.5%), Standard Bank (SBK) (+18.5%) and Nedbank (NED) (+17.19%) had strong positive performance over the quarter. Other financial institutions including Coronation (CML) (+25.5%) and Sanlam (SLM) (+23.8%) also performed well.

Retailers Pick n Pay (PIK) (+37.6%) and Spar (SPP) (+33.8%) as well as fashion retailers Foschini (TFG) (+28%), Truworths (TRU) (+22.2%) and Mr Price (MRP) (+18.4%) all had strong positive returns for the quarter.

Resource stocks were the hardest hit during the quarter with Anglo American Platinum (AMS) (-21.7%) being the biggest loser after BHP's bold bid for Anglo American, minus its key South African assets which include Anglo American Platinum, drove the stock price down more than 10%. Other miners including Gold Fields (GFI) (-10%) and Sibanye-Stillwater (SSW) (-9%) also fared poorly over the quarter.

At the June 2024 FTSE/JSE index review there were no additions to or deletions from the index. The one-way turnover was 0.85%.

**Our strategy**

Satrix currently tracks the FTSE/JSE ALSI Index using an optimised model and targets an ex-ante active risk of between 3 and 9 basis points. The portfolio performance was in line with the index over the quarter. Any deviations from the benchmark could solely be attributed to cash drag and trading costs.

**RISK PROFILE (AGGRESSIVE)**

This is an aggressively managed, high-risk portfolio that aims to deliver capital growth over the long term. It is designed to track the benchmark and is a pure equity fund. There will be capital volatility in the short- to medium-term, although higher returns should be expected over longer-term periods.

**CONTACT DETAILS**

**Manager**

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

**Investment Manager**

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

**Trustee**

Standard Chartered Bank, Tel No.: 011 217 6600, E-mail: southafrica.securities-services@sc.com

**DISCLAIMER**

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\*The highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

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.