

INVESTMENT POLICY SUMMARY

This is a pure equity fund that aims to replicate the FTSE/JSE Dividend Plus Index. The appeal for an investor is the alternate weighting methodology (discussed below) to the traditional FTSE/JSE Top 40, which is a market cap weighted index. We believe that the benchmark choice and resulting returns form the most important elements of an equity strategy - by investing in a passive vehicle the returns to investment strategies are known. By applying a full replication strategy, the fund will mirror the composition of the chosen benchmark. The fund is rebalanced bi-annually in March and September.

WHY CHOOSE THIS FUND?

*The index which the fund replicates consists of 30 high dividend yielding companies within the universe of the FTSE/JSE Top 40 and FTSE/JSE Mid Cap Index (excl. Real Estate) that are expected to pay the best normal dividends over the forthcoming year.

*The fund will have a low correlation with other indices on the JSE and accordingly, it provides an ideal product for diversifying investment portfolios.

*It will appeal to investors seeking a high income portfolio.

*This is a passive, 100% equity investment with no stock picking or asset allocation calls.

*This fund could also serve as the core component of the equity portion of a client's portfolio.

FUND INFORMATION

ASISA Fund Classification	SA - Equity - General
Risk profile	Aggressive
Benchmark	FTSE/JSE Dividend Plus Index (J259)
Portfolio launch date	Aug 2011
Fee class launch date	Aug 2014
Minimum investment	Manual: Lump sum: R10 000 Monthly: R500 SatrixNOW.co.za: No minimum
Portfolio size	R413.9 million
Last two distributions	30 Jun 2024: 44.89 cents per unit 31 Dec 2023: 48.04 cents per unit
Income decl. dates	30 Jun 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

TOP 10 HOLDINGS

Securities	% of Portfolio
Exxaro Resources Ltd	7.73
Investec Ltd	6.26
African Rainbow Minerals	6.23
Kumba Iron Ore Ltd	5.59
Absa Group Limited	4.64
Thungela Resources Ltd	4.45
Ninety One Plc	3.96
Old Mutual Limited	3.87
Nedbank Group Ltd	3.82
Truworths International Ltd	3.66

as at 30 Sep 2024

PERFORMANCE (ANNUALISED)

Retail Class	Fund (%)	Benchmark (%)
1 year	12.24	13.14
3 year	8.85	9.83
5 year	10.03	11.06
10 year	7.71	8.73

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

ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS*

Highest Annual %	36.66
Lowest Annual %	(8.51)

FEES (INCL. VAT)

	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.52
Total Expense Ratio (TER)	0.57
Transaction Cost (TC)	0.31

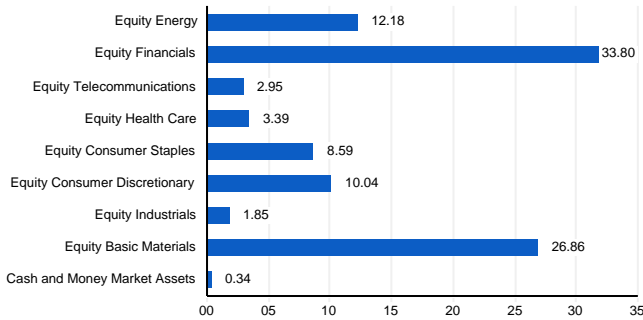
Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor. The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is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

Total Expense Ratio (TER) | The Management Fee is expressed as an annual percentage of the daily NAV of the CIS. This Fee is net of any scrip lending income and Management Fee waiver, where applicable.

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 3 years on an annualised basis. 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 on an annualised basis.

The current TER/TC cannot be regarded as an indication of future TER and TC. A higher TER and TC does not imply a poor return nor does a low TER and TC imply a good return. Obtain the costs of an investment prior to investing by using the EAC calculator provided at satrix.co.za.

ASSET ALLOCATION



PORTFOLIO QUARTERLY COMMENTARY - 30 SEP 2024

The Dow Jones Industrial Average and the S&P 500 closed the third quarter at all-time highs after the US Federal Reserve Bank (Fed) cut rates by 50 bps for the first time since 2020. The US inflation rate has been on a downward trend since March this year, moving from 3.5% to 2.5% in its last print in September. The euro area showed a similar trend, moving from 2.8% at the start of the year down to 1.8%. However, the European Central Bank (ECB) cut rates by 25 bps in June and a further 60 bps in September. South Africa's inflation eased from 5.6% at the start of the year to 4.4%, and the South African Reserve Bank (SARB) cut interest rates by 25 bps at their policy meeting in September.

In rand terms, the third quarter saw US stock-heavy indices mute as the MSCI World Index was up 0.4%, while the MSCI USA and the S&P 500 indices were both down 0.1%. The Nasdaq 100 Index had been trading sideways through the quarter and ended the period down 3.7%. China announced a late stimulus push to revive its troubled economy, which sent waves across the globe and saw its stock market significantly up. In rands, the MSCI China Index was up 16.5% for the quarter, pushing the MSCI Emerging Markets Index up 2.6% for the same period. The MSCI India Index was up 1.2% during the quarter and global bonds were up 1%. The MSCI Europe Index was up 0.6% and the MSCI United Kingdom Index was up 1.9%.

Possible disruption of oil supply, fuelled by the escalation in Middle East conflicts - particularly Iran and Israel - resulted in volatility in the oil price. OPEC+, on the other hand, was planning to restore some of the production capacity it had halted and is set to push up production in December this year. Brent crude oil ended the quarter at US\$71.70 a barrel, a 15.6% drop from the start of the quarter. The gold price continued its run, reaching an all-time high and ended the quarter up 13.3%, at US\$2 635.70.

In July, President Joe Biden announced his withdrawal from the 2024 US presidential election and endorsed his second-in-command, Vice President Kamala Harris, as his replacement. It is a close contest as 5 November approaches, the US' 60th quadrennial presidential election. The US 20-year Government Bond yield closed the quarter at 4.18%.

In local markets, the FTSE/JSE All Share Index (ALSI) was up 9.6% for the third quarter and the FTSE/JSE Top 40 Index (Top 40) was up 8.6%. The outperformance in the local market was largely driven by Financials, which were up 13.9% for the quarter, and Industrials, which were up 11.4%. Resources were down 1.1%. The South African 10-year Government Bond yield closed the quarter at 8.85%, while the All Bond Index (ALBI) was up 10.5%. 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 18.7% for the quarter.

During the quarter, the rand appreciated by 5.6% to the US dollar, closing at R17.23 to the greenback, R23.11 to the pound and at R19.23 to the euro.

Portfolio Performance and Changes

In the third quarter of 2024, the FTSE/JSE Dividend+ Index (DIVI+) was up 8.7%, significantly underperforming the FTSE/JSE ALSI, which had a return of 9.61%.

Financials, and more specifically the banks, were the star performers during the third quarter of 2024. Nedbank (NED) (+20.5%), Standard Bank (SBK) (+18.6%) and ABSA (ABG) (+15.2%) were some of the top performers in the financial sector.

Clothing retailers Mr Price (MRP) (+34.6%), Foschini (TFG) (+24.3%), Truworths (TRU) (+16.8%) and Woolworths (WHL) (+12.1%) also contributed to the positive performance of the index over the quarter.

Miners continued to lose ground as Transnet's capacity to move bulk minerals is declining. With mineral prices at record highs, other economies have ramped up production and consequently, SA miners may potentially see a loss in earnings, tax revenue and jobs. African Rainbow Minerals (ARI) (-16.5%), Sasol (SOL) (-15.9%) and Sibanye-Stillwater (SSW) (-9.4%) were all in negative territory for the quarter.

At the September 2024 FTSE/JSE index review Sanlam (SLM) was added to the index and Impala Platinum (IMP) was deleted from the index. The one-way turnover was 14.93%

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.

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.