

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	R401.1 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
Investec Ltd	7.03
African Rainbow Minerals	5.75
Exxaro Resources Ltd	5.73
Sasol Ltd	5.19
British Am. Tobacco Plc	4.86
Nedbank Group Ltd	4.76
Absa Group Limited	4.04
Standard Bank Group Ltd	4.02
Vodacom Group Limited	3.77
Firststrand Ltd	3.74

as at 30 Jun 2024

PERFORMANCE (ANNUALISED)

Retail Class	Fund (%)	Benchmark (%)
1 year	7.58	8.45
3 year	6.90	7.86
5 year	6.88	7.90
10 year	6.59	7.60

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

ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS*

Highest Annual %	39.24
Lowest Annual %	(18.01)

FEES (INCL. VAT)

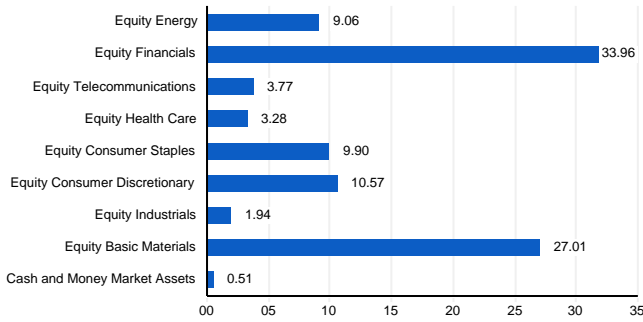
	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.52
Total Expense Ratio (TER)	0.57
Transaction Cost (TC)	0.31

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 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

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 Dividend Plus Index was up 8.45%, significantly outperforming the FTSE/JSE Top 40 Index, which had a return of 3.70%.

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. FirstRand (FSR) (+24.5%), Standard Bank (SBK) (+18.5%) and Nedbank (NED) (+17.19%) had

strong positive performance over the quarter. Other financial institutions also performed well.

Fashion retailers Foschini (TFG) (+28%), Truworths (TRU) (+22.2%) and Mr Price (MRP) (+18.4%) all had strong positive returns for the quarter.

The quarter saw a mixed bag of returns from resources with African Rainbow Minerals (ARI) (+43.1%), Impala Platinum (IMP) (+15.9%) and Anglo American (AGL) (+23.9%) the star performers, the latter given a boost by BHP's bold bid for Anglo American. The bid, however, had a negative effect on Anglo American Platinum (AMS) (-21.7%) as the bid would exclude Anglo American's key South African assets which include Anglo American Platinum, thus driving the stock down more than 10%. Other miners including Gold Fields (GFI) (-10%) and Sibanye-Stillwater (SSW) (-9%) also fared poorly over the quarter.

The index was not reviewed at the June 2024 FTSE/JSE index review.

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

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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.

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