Minimum Disclosure Document

(Fund Fact Sheet)

Satrix Quality Index Fund

April 2018

Fund Objective

To provide investors with income and capital growth in the medium to long term by tracking the S&P Quality South Africa Index as closely as possible.

Fund Strategy

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 there is no risk of deviation from the chosen benchmark.

Why choose this fund?

- The S&P Quality Index, which the fund tracks, can have very dissimilar performance relative to broader market indices like the FTSE/JSE ALSI or -SWIX. This makes the fund a good diversifying equity bet.
- Over the medium to long term the S&P Quality Index provides a superior relative return experience to that of the broader market.
- While the index exhibits a better absolute drawdown experience, the time to recovery (post a volatile market) is also far quicker.
- The S&P Quality Index may underperform the broader market in a protracted and trending bull market.
- The addition of the S&P SA Quality Index to a portfolio of smart beta funds tracking factors like Momentum, Value and Size adds to the diversification benefit of the overall portfolio.

Fund Information

ASISA Fund Classification	SA - Equity - General
Risk profile	Aggressive
Benchmark	S&P SA Quality Index
Portfolio launch date	Aug 2015
Fee class launch date	Aug 2015
Minimum investment	Manual: Lump sum: R10 000 l Monthly: R500 SatrixNOW.co.za: No minimum
Portfolio size	R508.8 million
Last two distributions	30 Jun 2017: 14.77 cents per unit 31 Dec 2017: 12.88 cents per unit
Income decl. dates	30 Jun l 31 Dec
Income price dates	1st working day in July & January
Valuation time of fund	17:00
Transaction cut off time	Manual: 15:00 SatrixNOW.co.za: 13:30
Daily price information	Local newspaper and www.satrix.co.za
Repurchase period	3 working days

Fees (Incl. VAT)

	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.14
Manager annual fee	0.69
Total Expense Ratio (TER)	0.72
Transaction Cost (TC)	0.37

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 April 2017 to 30 April 2018. 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

Top 10 Holdings

Securities	% of Portfolio
Stanbank	10.46
Mr Price Group Limited	9.79
Sanlam	8.72
Tiger Brands	8.52
Capitec	7.97
Woolies	7.73
Clicks Group Ltd	6.99
FirstRand / RMBH	6.37
Truworths	5.68
AVI	4.90

Top 10 Holdings as at 30 Apr 2018

Performance (Annualised) as at 30 Apr 2018 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	34.01	35.71
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	10.39	11.86

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

Performance (Cumulative) as at 30 Apr 2018 on a rolling monthly basis

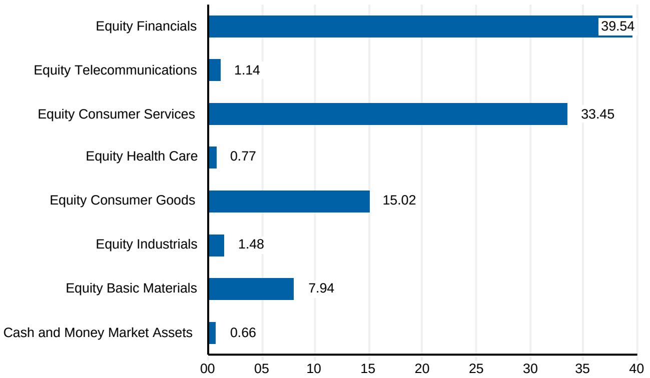
Retail Class	Fund (%)	Benchmark (%)
1 year	34.01	35.71
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	30.15	34.83

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

Actual highest and lowest annual returns*

Highest Annual %	34.01
Lowest Annual %	(5.14)

Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Mar 2018

Macro review

In the US, equities began 2018 strongly, buoyed by ongoing strength in economic data, robust earnings and the confirmation of a major tax reform package. US business confidence reached an unexpected, multi-decade high in March, while GDP for Q4 2017 was revised upwards to show growth of 2.9%. The latter part of the quarter, however, saw a marked increase in volatility as investors first digested the destabilising potential of an elevated US inflation reading and the possibility that the Fed may need to become more proactive in raising interest rates, as well as escalating US-China trade sanctions, which precipitated a renewed bout of turbulence in March.

In the Eurozone, the economic backdrop remained encouraging over the three months. GDP growth for Q4 2017 was confirmed at 0.6% quarter-on-quarter. Unemployment was stable at 8.6% in January 2018. However, forward-looking surveys painted a picture of slower future growth. The composite PMI hit a 14-month low in March, albeit the reading of 55.3 still implies solid growth. European Central Bank chairman Mario Draghi reiterated that interest rates would not rise until well past the end of the quantitative easing programme. On the political front, the key event of the quarter was Italy's election, which yielded no overall winner. Germany formed a new government after its inconclusive elections in September 2017. Angela Merkel remains as chancellor after her centre-right CDU/CSU agreed another grand coalition with the centre-left SPD.

Emerging markets saw positive returns in the first quarter despite a rise in market volatility stemming from tensions over global trade. Brazil's former president Luiz Inácio Lula da Silva saw his criminal conviction upheld, while in Russia the central bank cut interest rates and the country's debt was upgraded to investment grade by ratings agency S&P. In China, macroeconomic data remained broadly stable, albeit there were ongoing signs of a gradual slowing in momentum, with official PMI easing to 50.3. By contrast, there was concern in India over reported fraud at a state-owned bank.

Global and local market review

Global equity markets declined in Q1 2018 with investors unnerved first by concerns about the path of US interest rate rises and then worries over trade. US equities began the year strongly, boosted by tax reforms, but ended the quarter lower amid concerns over inflation and the impact of US-China trade sanctions. Following a 10% correction from its January highs and rallying back 8% by early March, the S&P 500 Index suffered another 5% pullback in the last few weeks, ending the month of March down 2.5% and losing 0.8% over the last three months, which was the first negative quarter since the third quarter of 2015. Eurozone equities posted negative returns as worries over US rates and trade affected other markets. Italy's election was inconclusive but had limited impact on the equity market.

Emerging market (EM) equities outperformed, delivering a positive return in US dollars. The MSCI EM Index was up +1.5% (total returns) in Q1 2018, ahead of the MSCI World (Developed Market) Index, which was down 1.2%, the first quarterly loss in two years. Over the last three months the FTSE/JSE All Share Index (ALSI) posted a total return of -6.0%. This has been its worst quarterly performance in eight years (Q2 2010: -8.2%). SA Industrials were the worst performer, returning -8.0% (Naspers and Tiger Brands were both down 12%). SA Resources lost 3.8% (rising global uncertainty) and SA Financials lost 3.6%.

Of the equity sectors, the top first-quarter performance came from Non-life Insurance (+24.4%), Fixed Line Telecoms (+10.0%) and General Retailers (+9.2%). The worst performance came from Real Estate Development and Services (-31.2%), Software (-30.5%) and Household Goods (-29.0%).

Portfolio performance, attribution and strategy

After a stellar 2017, the S&P Quality South Africa Index experienced another strong quarter as investors continue to favour stocks with defensive characteristics. Despite largely pro-cyclical domestic sentiment (e.g. leadership optimism, declining risk of a credit rating downgrade, improving inflation outlook), global macro concerns have instead dominated mindshare and subsequently weighed on the local share market.

This environment continued to suit companies with strong balance sheets, clean earnings and high return to equity, as represented in our Quality basket. Furthermore, based on our analysis, the valuation gap between Quality and the market is still not pricing in the substantial historic premiums of a Quality strategy, and thus still presents value to investors who seek the strategy's diversification benefits within this factor portfolio construct.

In terms of stock selection, the largest relative outperformance over the quarter came from the overweight positions such as Mr Price (MRP), Truworths (TRU), Standard Bank (SBK) and Clicks (CLS), as well as underweight positions such as Naspers (NPN), Resilient (RES) and NEPI Rockcastle (NRP). By not holding these stocks, the fund accreted substantial value relative to the Swix. On the other hand, the largest two detractors in Value came from overweight positions in Capitec (CPI) and Tiger Brands (TBS), as a speculative report from Viceroy and an outbreak of listeriosis respectively weighed on these counters. Other overweight detractors included Exxaro (EXX) and Kumba Iron Ore (KIO). There were no constituent changes to the S&P Quality South Africa Index over the prior quarter, as this index rebalances in June and December each year.

The index and portfolio remain focused in its extraction of Quality and should markets give way to further risk aversion, the defensive character of the basket should prove rewarding while not meaningfully compromising returns during up markets.

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.

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 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 is 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

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 market price of the share will increase which translates into a capital gain for the shareholder. 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.

S&P SA Quality Index
The objective of the index is to capture the stock performance of high quality South African companies based on:
their future profitability potential; the integrity of their earnings; financial robustness.

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 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 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. They 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 a *full replication* strategy i.e. it replicates the index exactly by buying the same shares as those in the index in the same proportions, re-balancing whenever the index is rebalanced.

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.

Tax Free Unit Trust
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 R33 000 per tax year, with a lifetime limit of R500 000. Amounts invested in excess of these permissible thresholds are taxable.

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