Minimum Disclosure Document

(Fund Fact Sheet)

Satrix RAFI 40 Index Fund

April 2018

Fund Objective

This is a pure equity fund that aims to replicate the FTSE/JSE RAFI40 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. The fund is rebalanced annually in March.

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?

*This fund is ideal for the investor who seeks general market performance through a well-diversified equity portfolio at low cost.
*The FTSE/JSE RAFI 40 Index represents 40 shares listed on the JSE based on four equally weighted fundamental factors: Sales, Cash Flow, Book Value and Dividend.
*The factors considered offer diversification with regards to company and sector.
*The fund offers similar liquidity and capacity as that of a market-cap weighted index and avoids over exposure to the more over-valued equities.

Fund Information

ASISA Fund Classification	SA - Equity - General
Risk profile	Aggressive
Benchmark	FTSE/JSE RAFI40 Index (J260)
Portfolio launch date	Aug 2011
Fee class launch date	Aug 2011
Minimum investment	Manual: Lump sum: R10 000 I Monthly: R500 SatrixNOW.co.za: No minimum
Portfolio size	R83.7 million
Last two distributions	30 Jun 2017: 22.73 cents per unit 31 Dec 2017: 24.94 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	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	0.59
Total Expense Ratio (TER)	0.73
Transaction Cost (TC)	0.24

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
BHP Billiton	11.29
Sasol	8.73
Compagnie Fin Richemont	7.84
Old Mutual	6.74
MTN	6.26
Anglos	6.09
Stanbank	5.75
Barclays Group Africa	3.68
Naspers -N-	3.12
FirstRand / RMBH	3.01

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	14.84	15.89
3 year	5.28	6.27
5 year	9.84	11.34
Since inception	11.04	12.46

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	14.84	15.89
3 year	16.68	20.02
5 year	59.92	71.13
Since inception	101.02	118.76

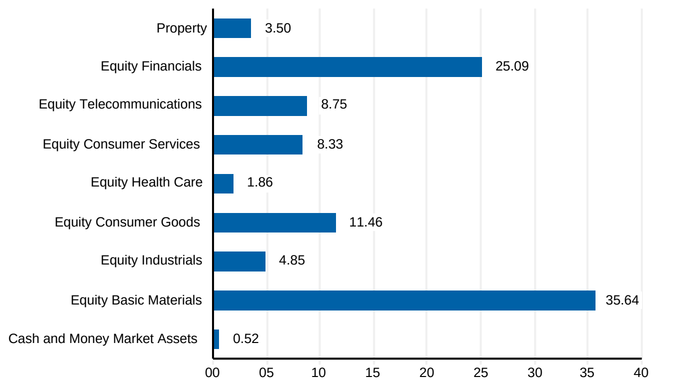
Cumulative return is aggregate return of the portfolio for a specified period

Actual highest and lowest annual returns*

Highest Annual %	29.89
Lowest Annual %	(2.47)

This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary Terms Sheet.

Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Mar 2018

Market overview

What a volatile start for global markets during the first three months of 2018!

A pull-back in technology-driven shares, rising trade tensions and fears over higher rates and inflation led to a volatile first quarter of 2018 for the S&P 500 Index. Following a 10% correction from its January highs and rallying back 8% by early March, the index suffered another 5% pullback in the last few weeks, ending the month of March down 2.5% on a total return basis and losing 0.8% over the last three months (first negative quarter since the third quarter of 2015). The S&P 500's correction of just over 5% in the first week of February was a reminder that rising bond yields are likely to cause much anxiety on the path to normalisation.

While stocks were the worst-performing asset class in March, they finished the first quarter in the middle of the pack, beating both long-term Treasuries (-3.2%) and investment-grade corporate bonds (-2.2%) but lagging cash (+0.4%), gold (+2.5%), WTI oil (+5.3%) and the US Dollar Index (-0.7%).

Forgotten was the fact that the US implemented the biggest tax reform in three decades to drive the corporate income tax rate from 35% to 21% and boost investment spending and productivity. The US is also encouraging corporates to repatriate some $2.5 trillion held offshore - but the impact on the US dollar should be limited as it is over 10 years and already held in dollars. The market, however, reminisced that the 1986 tax reform programme led to the considerable weakening of the greenback.

While recent data globally are mixed, credit impulse numbers and various leading indicators do suggest that growth expectations may still have room to drift lower. This could mean that downside risks for equities, yields and broader commodity prices are increasing, but in general the market positioning is much cleaner now and has probably priced in this 'news', leaving scope for a bounce.

While February and March are historically weak, April is a seasonally strong month (+1.2% average total return since 1928, the third-best month of the year).

South Africa

The JSE battled two opposing forces this quarter. On the one hand the 'Ramaphosa effect' drove some SA Inc. stocks to new highs, while the 'Viceroy effect' led to a slew of rumours impacting a number of companies. The recall of the former president attracted elusive foreign flows to the JSE, which flowed mainly into local retailers and banks, up 22%, a very narrow part of the market viewed as representative of the SA economy.

The Budget also served to quell investor concerns. Fiscal consolidation is back on track with government debt now peaking at 55% of GDP - better than the mid-term budget scenario where debt was forecast to balloon. The GDP outlook has improved slightly from 1.1% to 1.8% and prospective revenue has improved thanks to a 1% increase in the VAT rate and enforcement of a strict expenditure ceiling.

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 British American Tobacco, which were both down more than 15%). SA Resources lost 3.8% (rising global uncertainty) and SA Financials lost 3.6%. The FTSE/JSE All Bond Index (ALBI) outperformed with a total return of 8.1% (helped by Moody's keeping SA's sovereign credit rating unchanged), while the FTSE/JSE SA Listed Property Index (SAPY) has shown the largest underperformance, -19.6% (negative press on Resilient group of companies).

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%).

The ALSI has de-rated year to date and is now trading at a forward price-to-earnings ratio (P/E) of between 14.5 and 15 times (16.8 historic) versus the long-term average of 12.6 times. But ex Naspers we are at 13.5 times versus the long-term average of 12.3 times.

Portfolio and performance review

For the first quarter of 2018, the FTSE/JSE Rafi Top 40 Index realised a return of -2.13%, outperforming the FTSE/JSE Top 40 Index return of -6.32% by about 4.19%. For the one-year period, this index is nearly 2.5% ahead the FTSE/JSE Top 40 Index.

The large outperformance for the quarter was mainly attributable to the index's relative underweight in Naspers and British American Tobacco. This was enhanced by overweight exposures in Anglo American and Standard Bank. Anglo American managed very good returns in March due to the mining industry performing well.

During the March annual rebalance Exxaro, Investec and Sibanye Gold were added to the FTSE/JSE Rafi Top 40 Index replacing Brait SE, Kumba Iron Ore and MMI Holdings. The one-way churn in the index was about 12.44%.

Steinhoff (SNH) is still part of the FTSE/JSE Rafi Top 40 Index series. This is the response that we received from the FTSE Russell Policy Team on the reasons why: *The company should be retained within the RAFI indices and the company should be revaluated in March 2019 which will incorporate any restated reports (on the assumption they publish the reports by then). As the investigation remains ongoing, it would be premature to remove prior to the conclusion of these investigations. If removed, there is a potential that the company could be reinstated to the index at the next Annual review with a different RAFI score as we do not know what within the financials are likely to change which may impact the RAFI score.*

This index only rebalances once a year, during March.

The difference in your portfolio's return from its benchmark was mainly due to trading costs and market impact related to rebalance and cash flow trades.

Conclusion

Volatility has once again become the dominant factor in financial markets globally, exemplified by the VIX fear index experiencing its biggest daily spike in history during the quarter. There are growing concerns that global businesses may be subject to new regulation and be the target of tariffs if a US-China trade war escalates. Political risk is dominating fundamentals and we now have progressed into a new era where central banks are not the backstop supporting financial markets.

In South Africa, the sentiment pendulum has swung from pessimism to optimism with the new political administration driving business and consumer confidence higher with expectations of a solid economic recovery being discounted. Either way, economic mood swings tend to be exaggerated. Also, the expectation that President Ramaphosa will, in one fell swoop, reverse years of maladministration and corruption are unrealistic.

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.

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(Fund Fact Sheet)

Satrix RAFI 40 Index Fund

April 2018

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.

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.

FTSE/JSE RAFI 40 Index (J260)
The FTSE/JSE RAFI 40 Index is a fundamentally weighted index which applies the fundamental indexation™ methodology developed by Research Affiliates LLC of Pasadena, California. To do this, all the shares listed on the JSE are screened in terms of the so-called fundamentals (sales, cash flow, book value and dividend) of the last five years' audited values. The 40 top-ranking companies with respect to these criteria are included in the fund.

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.