Fund Objective

The Satrix Low Equity Balanced Index Fund is Regulation 28 compliant and offers diversified exposure to all the key local and international asset classes. The Fund tracks a composite index benchmark, with a long term strategic asset allocation, rebalanced on a bi-annual basis in March and September.

Fund Strategy

The composite benchmark of the fund comprises the following asset class building blocks:

Asset Class Index Exposure
- SA equity (21%)
- SA bonds (33%)
- SA property (6%)
- SA inflation-linked bonds (10%)
- SA cash (20%)
- International equities (14%)
- International bonds (3%)
- International cash (3%)

International equities is an exposure to multiple asset classes in South Africa and abroad.

International bonds is an investment in a stable, low equity multi-asset class fund.

Why choose this fund?

*Investment in a stable, low equity multi-asset class fund.
*Exposure to multiple asset classes in South Africa and abroad.
*The benefit of significant local and global diversification.
*Access to a fund that aims to steadily grow capital, whilst providing income over the medium to longer term.

Fund Information

ASISA Fund Classification | SA - Multi Asset - Low Equity
Category Benchmark | SA - Multi Asset - Low Equity - Median
Risk profile | Cautious
Benchmark | Proprietary Satrix Low Equity Balanced Index
Portfolio launch date | Jul 2014
Fee class launch date | Jul 2014
Minimum investment | Manual: Lump sum: R10 000 I Monthly: R500
Portfolios | SatrixNOW.co.za: No minimum
Portfolio size | R1 393.9 million
Last two distributions | 30 Jun 2020: 29.94 cents per unit
| 31 Dec 2019: 28.71 cents per unit
Income decl. dates | 30 June 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 | www.satrix.co.za
Repurchase period | T+3

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 | 0.40
| | Total Expense Ratio (TER) | 0.47
| | Transaction Cost (TC) | 0.08

Top 10 Holdings

<table>
<thead>
<tr>
<th>Securities</th>
<th>% of Portfolio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Naspers -N-</td>
<td>2.47</td>
</tr>
<tr>
<td>Institutional Cash Series Plc - Institutional US Dollar Liq</td>
<td>1.97</td>
</tr>
<tr>
<td>GrowthPoint</td>
<td>1.50</td>
</tr>
<tr>
<td>NEPI ROCKCASTLE PLC</td>
<td>1.27</td>
</tr>
<tr>
<td>Prosus NV</td>
<td>1.12</td>
</tr>
<tr>
<td>Anglos</td>
<td>1.08</td>
</tr>
<tr>
<td>BTI Group</td>
<td>1.06</td>
</tr>
<tr>
<td>FirstRand / RMBH</td>
<td>1.01</td>
</tr>
<tr>
<td>AngloGold</td>
<td>0.76</td>
</tr>
<tr>
<td>Stanbank</td>
<td>0.76</td>
</tr>
</tbody>
</table>

Top 10 Holdings as at 30 Jun 2020

Performance (Annualised) as at 30 Jun 2020 on a rolling monthly basis

<table>
<thead>
<tr>
<th>Retail Class</th>
<th>Fund (%)</th>
<th>Benchmark (%)</th>
<th>Category (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>2.66</td>
<td>3.31</td>
<td>3.23</td>
</tr>
<tr>
<td>3 year</td>
<td>5.34</td>
<td>5.84</td>
<td>5.20</td>
</tr>
<tr>
<td>5 year</td>
<td>5.27</td>
<td>5.71</td>
<td>5.18</td>
</tr>
<tr>
<td>Since inception</td>
<td>5.63</td>
<td>6.16</td>
<td>5.45</td>
</tr>
</tbody>
</table>

Performance (Cumulative) as at 30 Jun 2020 on a rolling monthly basis

<table>
<thead>
<tr>
<th>Retail Class</th>
<th>Fund (%)</th>
<th>Benchmark (%)</th>
<th>Category (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 year</td>
<td>2.66</td>
<td>3.31</td>
<td>3.23</td>
</tr>
<tr>
<td>3 year</td>
<td>16.89</td>
<td>18.58</td>
<td>16.42</td>
</tr>
<tr>
<td>5 year</td>
<td>29.29</td>
<td>32.01</td>
<td>28.74</td>
</tr>
<tr>
<td>Since inception</td>
<td>38.27</td>
<td>42.46</td>
<td>36.87</td>
</tr>
</tbody>
</table>

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

Actual highest and lowest annual returns*

| Highest Annual % | 8.65 |
| Lowest Annual % | 1.80 |

*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 1 year. The TER is calculated from 01 April 2019 to 31 March 2020. 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

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

<table>
<thead>
<tr>
<th>Asset Class</th>
<th>Weight (as of June 30, 2020)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bonds</td>
<td>24.60%</td>
</tr>
<tr>
<td>Property</td>
<td>6.19%</td>
</tr>
<tr>
<td>Equities</td>
<td>23.39%</td>
</tr>
<tr>
<td>International Assets</td>
<td>21.07%</td>
</tr>
<tr>
<td>Inflation Linked Bonds</td>
<td>10.45%</td>
</tr>
<tr>
<td>Cash and Money Market Assets</td>
<td>14.30%</td>
</tr>
</tbody>
</table>

Portfolio Manager(s) Quarterly Comment - 30 Jun 2020

Market Comments

The second quarter of 2020 was a period of many historical records. Extreme volatility continued into the quarter, but this time markets experienced one of the fastest recoveries from a global stock market crash. During the 2008 Global Financial Crisis, it took equity markets four years to recover 95% of the value from the bottom. This time markets needed only three months to recover 95% of the value from the March 2020 bottom.

For the quarter, the MSCI World Index (19.4%), MSCI Emerging Markets (EM) Index (18.1%) and MSCI USA Index (21.6%) in net US dollar all gave substantial positive returns. Emerging Latin American markets were one of the hardest hit, but in the second quarter the MSCI EM Latin American Index returned 19.1%. The MSCI South Africa Index returned 27.2% over the quarter while the MSCI China Index returned 15.3%. The euro area was also added to the list of recovering regions with the MSCI Europe Index returning 15.3% while the MSCI United Kingdom Index only returned 7.8%, both in net US dollar.

The South African rand continued to tank at the beginning of the second quarter, trading at an all-time high of R19.35 to the dollar. For the full quarter, the local currency appreciated by 2.4% to the US dollar, closing at R17.38 to the greenback, R21.52 to the pound and R19.54 to the euro.

Locally, the South African equity indices, namely the FTSE/JSE Top 40 (24.2%), FTSE/JSE All Share (ALSh) (23.2%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped SWIX) (21.6%), all extended positive gains through the quarter. At the end of April South Africa exited the FTSE World Government Bond Index (WGBI) after its Moody’s ‘junk status’ downgrade earlier. Despite this, the South African 10-year government bond yield recovered from its first-quarter highs and closed the quarter at 9.25%, resulting in the All Bond Index (ALBI) (9.9%) ending the quarter positive (falling bond yields mean the current market value of these bonds increases). Inflation-linked bonds (ILBs) delivered a 4.68% return. The cash benchmark, the Alexander Forbes Short-Term Fixed Interest (STeFI) Composite Index (1.5%), delivered positive money market returns for the quarter. The FTSE/JSE SA Listed Property Index (SAPY) returned a positive 20.43%.

The South African Reserve Bank (SARB) Monetary Policy Committee (MPC) mentioned that the economic contraction and slow recovery of the economy will keep inflation below the middle of their target range. In their meeting in May, the MPC continued to cut the repo rate by 0.50% to 3.75%, the lowest level in its history.

The SARB’s actions have done much to improve liquidity in the bond market. However, the market is starting to struggle to absorb the increased issuance. Even with inflation falling to 3% and set to fall further in the coming months, bond yields ended the month well off their lows. The supplementary budget indicated that issuance will be concentrated in the front end of the curve, but the first two auctions since that budget have included R2037 and R2048, which resulted in an unwinding of the flattening that had taken place in June.

The Covid-19 impact also came with Finance Minister Tito Mboweni tabling a supplementary budget, highlighting SARS expecting a R300 billion shortfall in tax collections for the year while adding more budget to healthcare and social grants and forecasting South Africa’s debt to be at 106% of GDP by 2024. The finance minister also emphasised that besides the Land Bank there would be no other state-owned entity (SOE) that will receive a bail-out from the government, adding to the embattled SAA’s troubles.

The South African GDP contracted by 2% in the first quarter of the year, following a contraction of 1.4% in December 2019. The lockdown regulations in South Africa propelled the unemployment rate to 30.1% with a number of big companies in the formal sector announcing plans to retrench staff.

Equity Performance and Changes

The Capped SWIX (+21.6%) was positive for the quarter. A large percentage of the stocks in the index were in positive territory for the second quarter of 2020. The top contributors were Anglo American (AGL) (+32%), Prosus (PRX) (+30%), AngloGold Ashanti (ANG) (+58%), Sasol (SOL) (+258%) and Naspers (NPN) (+23%). Retailers were hardest hit during the quarter. Clicks Group (CLS) (-18%), Shoprite (SHOP) (-14%), Dis-Chem (DCP) (-34%) and Pick n Pay (PK) (-16%) were some of the top detractors from performance.

During the June 2020 FTSE/JSE index review Brimstone (BRN) was deleted from the index. The one-way turnover was 2.74%.

Our strategy

Satrix currently tracks the Capped SWIX using an optimised model. The optimised model holds between 135 and 140 shares out of a possible 151 shares at an ex-ante active risk of between 6 and 9 basis points.

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.

This monthly Minimum Disclosure Document should be viewed in conjunction with the Glossary Terms Sheet.
Risk Profile (Cautious)

This portfolio aims to protect capital in real (after inflation) terms, while providing a reasonable level of income. The portfolio displays low volatility levels, designed to reduce the probability of capital losses. This portfolio has limited exposure to equities. It is designed for maximum capital protection and aims to ensure a stable income and/or income growth.

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 fees, and the manager’s ongoing charge. 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 penalties. 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.

Manager Information:

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

Tel no.: 011 217 6600, E-mail: zatrustee.securities@sc.com

Standard Chartered Bank

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.