

Fund Objective

The investment objective of the fund is to provide a total return equivalent to that of the MSCI World (Developed Markets) Index, in South African Rand. The fund will aim to achieve this by only investing (other than holding assets in liquid form) in participatory interest of the FSCA approved Satrix World Equity Tracker Fund, a sub fund of the Irish Domiciled Sanlam Universal Funds plc. The fund is rebalanced quarterly.

Fund Strategy

The Satrix World Equity Tracker Fund (underlying fund) employs optimisation techniques to track the performance of the index, rather than attempting to hold all of the securities in the index.

Why choose this fund?

*Investors wanting to invest South African Rand to gain exposure to world equity markets at a compelling cost.

*No foreign exchange tax clearance is required.

Fund Information

ASISA Fund Classification	Global - Equity - General
Risk profile	Aggressive
Benchmark	MSCI World Equity Index (in ZAR)
Portfolio launch date	Oct 2013
Fee class launch date	Oct 2013
Minimum investment	Manual: Lump sum: R10 000 Monthly: R500 SatrixNOW.co.za: No minimum
Portfolio size	R6 296.4 million
Last two distributions	Fund does not distribute**
Income decl. dates	Fund does not distribute**
Income price dates	Fund does not distribute**
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	0.58
Total Expense Ratio (TER)	0.89
Transaction Cost (TC)	0.08

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 LISP (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 July 2019 to 30 June 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

** The Satrix MSCI World Equity Index Feeder Fund invests in a share class of the underlying fund (Satrix World Equity Tracker Fund Class I) which reinvests all income declared and received. As such, the Satrix MSCI World Equity Index Feeder Fund does not distribute.

A Feeder Fund is a portfolio that, apart from assets in liquid form, consists solely of participatory interest in single portfolio of a collective investment scheme (Sanlam World Equity Tracker Fund I; fee 0.30%).

The Satrix MSCI World Equity Index Feeder Fund invests in the dollar based Sanlam World Equity Tracker Fund listed on the Irish Stock Exchange. The performance of the Satrix MSCI World Equity Index Feeder Fund relative to its benchmark may be affected on a day to day basis as a result of the differing timezones, pricing points, transactions and exchange rates, all which are associated with the daily price calculation of the Satrix MSCI World Equity Index Feeder Fund.

The price of the Satrix MSCI World Equity Index Feeder Fund for the current business day is based on the prevailing closing price of the Sanlam World Equity Tracker Fund (the underlying fund) of the previous business day. Transactions on the underlying Sanlam World Equity Tracker Fund is executed at the next pricing point (based on forward pricing) that may also affect the performance of the Satrix MSCI World Equity Index Feeder Fund relative to its benchmark on a trading day in addition to exchange rate conversions.

Top 10 Holdings

Securities	% of Portfolio
Apple Computer Co	4.64
Microsoft Corp	3.38
Amazon	3.01
Facebook Inc	1.44
Alphabet Inc CI C	1.19
USD Capital Call	1.09
Alphabet Inc CI A	0.86
Johnson & Johnson	0.81
Nestle SA CHF1	0.72
Procter & Gamble Co	0.71

Top 10 Holdings as at 31 Aug 2020

Performance (Annualised) as at 31 Aug 2020 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	29.02	30.71
3 year	19.02	20.23
5 year	14.75	15.82
Since inception	15.54	17.10

The benchmark returns of this fund are lagged by one day in order to align with the pricing of the fund.

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

Performance (Cumulative) as at 31 Aug 2020 on a rolling monthly basis

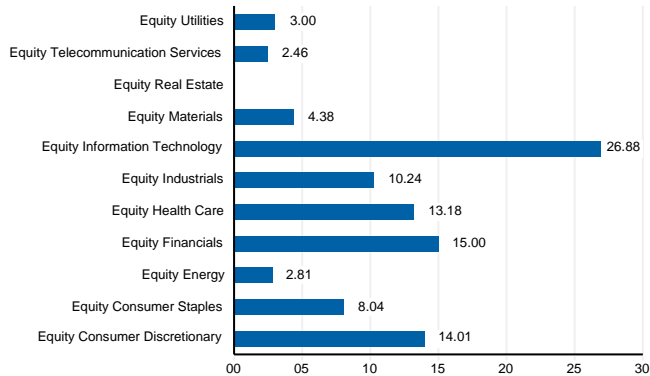
Retail Class	Fund (%)	Benchmark (%)
1 year	29.02	30.71
3 year	68.61	73.79
5 year	98.94	108.37
Since inception	168.40	194.12

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

Actual highest and lowest annual returns*

Highest Annual %	29.02
Lowest Annual %	0.95

Asset Allocation



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 supply and demand of oil continued to be drastically altered by the Covid-19 pandemic during the quarter. After plummeting to \$20 per barrel at the end of March 2020, the global shutdowns and low demand for energy plunged the oil price below \$0 for the first time in history. Since then, the oil price has recovered, ending the quarter at \$38 a barrel with some economies around the world reopening and having high mobility and high Covid-19 recovery rates. The gold price closed the quarter at eight-year highs, trading at \$1 780 an ounce. The US 10-year government bond closed the quarter at 0.6% as the US unemployment rate hit a record high of 14.7% from the previous 4.4% rate.

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.

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.

Fund performance

The Satrix MSCI World Equity Index Feeder Fund invests in the dollar-based Satrix World Equity Tracker Fund, which is listed on the Irish Stock Exchange and tracks the MSCI World Index. The index captures large and mid-cap representation across 23 developed market countries. With 1 603 constituents, the index covers approximately 85% of the free float-adjusted market capitalisation in each country.

The Satrix World Equity Tracker Fund tracks this index through a process of optimisation with an ex-ante tracking error varying around 15 basis points. The MSCI World Index (in rand terms) managed a return of about 16.1% (19.4% in US dollar terms) for the second quarter of 2020. The rand found its footing against the US dollar through the end of the quarter, narrowing the spread between the rand and US dollar returns.

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 index 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 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.

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.

Feeder fund

A feeder fund is a South African-based fund that feeds exclusively into its primary foreign-based fund. It allows investors easy access to investing in an offshore fund, eliminating complicated tax and other implications. The shares of the feeder fund represent shares in the primary fund (called a master fund). This feeder fund is priced in rand.

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.

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.

MSCI World (Developed Markets) Index

The MSCI World Index is a stock market index made up of approximately 1,600 global stocks. It is often used as a common benchmark for 'world' or 'global' stock funds. The index comprises a collection of stocks of all the developed markets in the world, as defined by MSCI. The index includes stocks from 23 countries but excludes stocks from emerging and frontier economies. MSCI stands for Morgan Stanley Capital International. This is the company which constructs the index.

Replication strategy

This fund employs an *optimisation* strategy - it seeks to track the performance of the index by buying the securities in the index that provides the most representative sample of the index based on correlations, exposure and risk.

Tax Free Investing

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.

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.