Minimum Disclosure Document

(Fund Fact Sheet)

Satrix Swix 40 Index Fund

March 2017

Fund Objective

To provide investors with income and capital growth in the medium to long term by tracking the FTSE/JSE Shareholder Weighted Top 40 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 significant deviation from the chosen benchmark before costs.

Why choose this fund?

*Investors who seek general equity market performance through a well-diversified equity portfolio at low cost.
*Investors who seek a core component for the equity portion of their portfolio.
*Investors who prefer to take a longer term view when building wealth.
*Investors who are cost conscious.
*This is a pure equity fund and is therefore not Regulation 28 compliant.
*This fund is aggressively risk profiled and thus investors should be willing to tolerate potential volatility in the short-term.

Fund Information

ASISA Fund Classification	SA - Equity - Large Cap
Risk profile	Aggressive
Benchmark	FTSE/JSE SWIX40 Index (J400)
Portfolio launch date	Aug 2015
Fee class launch date	Aug 2015
Minimum investment	Lump sum: R10 000 l Monthly: R500
Portfolio size	R8 233.8 million
Last two distributions	30 Jun 2016: 28.65 cents per unit 31 Dec 2016:11.59 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	15:00
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	0.51
Total Expense Ratio (TER)	0.50
Transaction Cost (TC)	0.33

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 1 January 2016 to 31 December 2016. 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
Naspers -N-	23.44
BTI Group	5.48
MTN	5.15
Sasol	5.10
FirstRand / RMBH	4.23
Stanbank	4.09
Steinhoff Int Hldgs N.v	3.90
Anglos	2.84
Sanlam	2.79
Remgro	2.57

Top 10 Holdings as at 31 Mar 2017

Performance (Annualised) as at 31 Mar 2017 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	(1.98)	(1.29)
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	2.27	2.90

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

Performance (Cumulative) as at 31 Mar 2017 on a rolling monthly basis

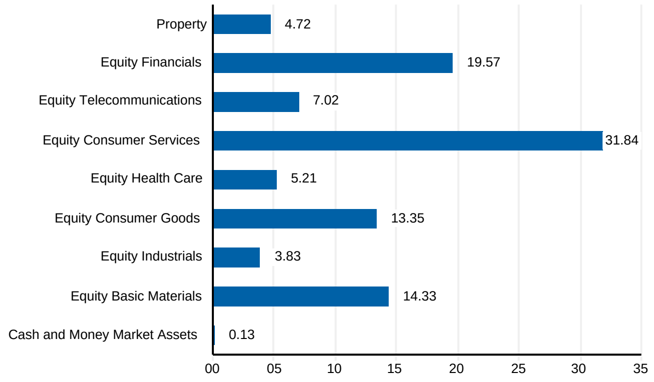
Retail Class	Fund (%)	Benchmark (%)
1 year	(1.98)	(1.29)
3 year	N/A	N/A
5 year	N/A	N/A
Since inception	3.63	4.63

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

Actual highest and lowest annual returns*

Highest Annual %	(1.98)
Lowest Annual %	(1.98)

Asset Allocation



Portfolio Manager(s) Quarterly Comment - 31 Mar 2017

Market commentary

Year to date Asia and Latin America have been the best-performing equity markets. Looking at the global leader board for Q1 2017 (33 out of 39 assets actually ended the quarter with a positive total return), Silver (+15%) led the way but the dominant theme was the strong performance from equities with the Spanish IBEX (+14%), Emerging Markets (EM) Index (+12%), Brazil's Bovespa (+12%) and Hong Kong's Hang Seng (+10%), but it's also been a strong quarter for developed market (DM) equities with the Europe Stoxx 600 (+8%) and in the US the S&P 500 (+6%).

With the first three months of the year now done on a normalisation in investor sentiment (in Q1 2017 the VIX Index had its lowest average quarter since Q4 2006), the general call for the second quarter is to remain overweight equities and underweight bonds/cash, reflecting the view that real rates are in a bubble and there's risk of a significant re-pricing in the medium term as the rate hike cycle gathers steam. The Trump put may have a bit more to go. By avoiding a drawn-out battle over the health care bill, investors' focus has shifted to tax reform and as this takes centre stage, stimulus-fuelled optimism could wane as friction around funding the tax bill rears its head.

Stocks have been boosted by accelerating global growth and improving confidence. But the risk today is that, just as the Trump put may begin to fade, data could grow choppier. With positive economic surprises at five-year highs, the math alone makes it difficult for data to accelerate from here. With the French elections, Turkish referendum, OPEC, and Brexit all on the calendar at a time when global central banks are transitioning to a tightening bias, we see a chance that the markets might take a breather at some point this year.

As anticipated, rating agency Standard & Poor's (S&P) eliminated South Africa's foreign currency sovereign investment-grade (IG) rating, downgrading it to BB+ from BBB- with a negative outlook. While SA currently remains IG, SA's IG status could be impacted following the review scheduled for this Friday by Moody's, but it should be noted that Moody's currently rates SA two notches above a sub-IG rating. Fitch is also likely to pull forward its decision earlier, likely to result in forced selling, as SA loses its IG status. Numbers involved here could be substantial.

The MSCI SA Index (-0.1%) underperformed the MSCI EM Index (+2.5%) in March in dollars, as the rand (+2.6%) was the worst-performing EM currency, on the back of a Cabinet reshuffle, with finance minister Pravin Gordhan removed.

South Africa

The FTSE/JSE All Share Index (ALSI) managed to deliver a good return of 3.8%over the last three months, with the best-performing sector being Consumer Discretionary, which was driven by the very good returns of Richemont, British American Tobacco and Naspers. In the basic materials sector Coal Mining and Forestry and Paper experienced a very good quarter. Laggards were Healthcare (-7%), heavily influenced by Netcare (-18%) and Banks (-6%), which were down on a weaker rand, weighing on the inflation outlook and consumer confidence. The worst-performing sector was Industrial Engineering, down a massive 15%.

The FTSE/JSE Shareholder Weighted All Share Index (Swix) managed a total return of 3.3%, which was slightly worse than that of the ALSI, mainly driven by the higher relative weightings of Richemont and Mondi in the latter.

During the March index rebalance the total one-way turnover was less than 50 basis points (bps), but due to the higher market volatility, we decided to increase the number of shares in our optimised portfolio from 120 to 130. The current active risk of the portfolio is about 10bps.

Your fund performed in line with its mandated Swix benchmark.

The year ahead

For our many of our clients, the question is why does a downgrade matter? There is an obvious risk that, in order to balance the books, taxes will rise, import tariffs will increase the cost of living and higher interest rates will discourage private sector investment and job creation. The key concern remains our local currency debt junk rating, which could make it more expensive to meet our fiscal commitments in the long term.

The Cabinet changes have had a significant impact on financial markets to date. South Africa relies on foreign capital flows to fund its deficits, and with increasingly likely downgrades of its sovereign debt looming, further sharp declines in the rand is possible. The importance of the loss of independence of an institution like the Treasury is not something that should be underestimated.

While SA domestic equities might appear close to the bottom, failure to deliver on a turnaround in confidence in the political landscape could see the likelihood of a further near-term sell-off (with a vote of no confidence unlikely until early May). Therefore we think that domestic equities such as Banks and Retail should offer better entry opportunities in the weeks to come. On the upside one could see some further outperformance of some industrial rand hedges on the back of a further weakening in the currency.

Conclusion

The outlook for markets is again uncertain. The global backdrop is one of improvement on the margin, which all else being equal should be to the benefit of SA assets and the currency. Relative to this support, the risk of additional downgrades to SA's credit ratings will now cast a new shadow over SA assets.

Should a 'sanity prevails' event occur in the near future, the impact of that on SA bonds and the currency could be material. But in the absence thereof, investors will be faced with the impossible question of whether local assets are priced cheaply enough to reward investments in them despite the additional downgrade risk that President Zuma's actions have brought.

We are cautiously optimistic but uncertain enough to not bet the farm.

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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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 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/JSESWIX 40 Index (J400)
The FTSE/JSE SWIX 40 Index comprises the largest 40 companies in the FTSE/JSE All Share Index, ranked by full market cap.

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 cap weighted index
A market cap weighted index is created by giving weightings to shares according to the company's size (or capitalisation). The larger the company's market capitalisation, the larger it’s weighting in the index.

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.