

### Fund Objective

The fund tracks the performance of the FTSE/JSE Top 40 Index which represents the 40 largest companies by market cap. The fund endeavours to accurately replicate the index by holding all constituents in the exact index weighting. The index is rebalanced quarterly and the fund therefore incurs minimal trading fees.

### 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, the fund will mirror the composition of the chosen benchmark.

### 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

<b>ASISA Fund Classification</b>	SA - Equity - Large Cap
<b>Risk profile</b>	Aggressive
<b>Benchmark</b>	FTSE/JSE Top 40 Index (J200)
<b>Portfolio launch date</b>	Oct 2013
<b>Fee class launch date</b>	Oct 2013
<b>Minimum investment</b>	Manual: Lump sum: R10 000   Monthly: R500 SatrixNOW.co.za: No minimum
<b>Portfolio size</b>	R1.2 billion
<b>Last two distributions</b>	30 Jun 2022: 34.31 cents per unit 31 Dec 2021: 36.87 cents per unit
<b>Income decl. dates</b>	30 Jun   31 Dec
<b>Income price dates</b>	1st working day in July and January
<b>Valuation time of fund</b>	17:00
<b>Transaction cut off time</b>	Manual: 15:00 SatrixNOW.co.za: 13:30
<b>Daily Price Information</b>	www.satrix.co.za
<b>Repurchase period</b>	T+3

### Fees (Incl. VAT)

	Retail Class (%)
<b>Advice initial fee (max.)</b>	N/A
<b>Manager initial fee</b>	N/A
<b>Advice annual fee (max.)</b>	1.15
<b>Manager annual fee</b>	0.52
<b>Total Expense Ratio (TER)</b>	0.56
<b>Transaction Cost (TC)</b>	0.15

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 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 3 years. The TER is calculated from 01 April 2018 to 31 March 2022. 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 3 years. 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
Compagnie Fin Richemont	14.62
Anglo American Plc	11.72
Naspers Ltd	8.34
Firststrand Ltd	5.13
Mtn Group Ltd	3.94
Prosus Nv	3.80
Sasol Ltd	3.44
Standard Bank Group Ltd	3.42
British Am. Tobacco Plc	3.00
Capitec Bank Holdings Ltd	2.79

as at 30 Jun 2022

### Performance (Annualised) as at 30 Jun 2022 on a rolling monthly basis

Retail Class	Fund (%)	Benchmark (%)
1 year	3.82	4.62
3 year	7.70	8.56
5 year	8.53	9.33
Since inception	6.82	7.90

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

### Performance (Cumulative) as at 30 Jun 2022 on a rolling monthly basis

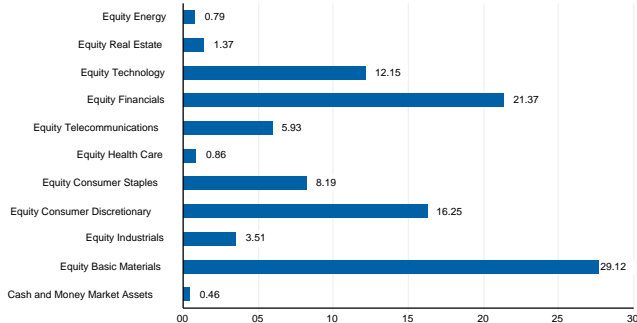
Retail Class	Fund (%)	Benchmark (%)
1 year	3.82	4.62
3 year	24.92	27.96
5 year	50.59	56.21
Since inception	77.08	93.33

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

### Actual highest and lowest annual returns\*

Highest Annual %	22.00
Lowest Annual %	(1.38)

### Asset Allocation



### Portfolio Manager(s) Quarterly Comment - 30 Jun 2022

#### Market Commentary

US inflation numbers surprised the market in May, accelerating by 8.6%. To combat the inflation risks the US Federal Reserve (Fed) had to hike interest rates by a staggering 0.75%, the magnitude of which was last seen in 1994. Contributors to the US inflation acceleration came from a 50% price jump in fuel, natural gas being up 30%, and food items increasing by 10%. A worse than expected GDP print by the US economy, with a slowdown in consumer spending and continued inflation acceleration, further grew recession concerns, which triggered the massive sell-off in risky assets in June. The US equity markets continued to tank in the second quarter of the year, with the S&P 500 posting its worst first half of the year since 1970.

For the second quarter of the year, the MSCI World Index was down 16.2%, the MSCI Emerging Markets Index was down 11.1% and the MSCI USA Index was down 16.9% in US dollar total returns. The MSCI South Africa Index was down 22.9% during the quarter in dollar terms while the MSCI China Index was up 3.4%. The MSCI Europe Index was down 14.5% while the MSCI United Kingdom Index was also down 10.5% in US dollar total returns.

Demand for oil increased in China, as the country eased its hard lockdown while output from some of the Organization of the Petroleum Exporting Countries (OPEC) members had dropped and a planned strike in the energy sector in Norway was going to cut global oil supply by almost 10%. The Brent crude price ended the quarter at \$109 a barrel, a 4.1% increase from the start of the quarter. The gold price came off the \$2 000 level in March, on the back of the Russian invasion of Ukraine, but has since dropped, starting the second quarter at \$1 937.23 and closing the quarter at \$1 806.89, a loss of 6.7% over the quarter. As fears grew about the US economy being tipped into recession by the aggressive rate hikes from the Fed, the US Government 10-year bond closed the quarter at 2.97%.

In local markets, the FTSE/JSE All Share Index (ALSI) was down 8.30% for the first half of the year, a level last seen in 2000 and 2003. For the quarter, the ALSI was down 11.7%, while the FTSE/JSE Top 40 (Top40) (-11.8%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped SWIX) (-10.7%) indices were also massively down for the quarter. The South African Government 10-year bond yield closed the quarter at 10.56%, while the All Bond Index (ALBI) was down 3.7% for the quarter. The cash benchmark, the Alexander Forbes Short-Term Fixed-Interest (STeFI) Composite Index delivered positive money market returns of 1.2% for the quarter while the FTSE/JSE SA Listed Property Index (SAPY) was down 11.6% for the quarter.

Severe power cuts in South Africa and growing concerns about the ability of Eskom to power long-term growth in the country, along with political turmoil, put pressure on the rand. For the full quarter, the South African rand depreciated by 12.1% to the US dollar, closing at R16.38 to the greenback, R19.89 to the pound and at R17.12 to the euro.

In May, the South African Reserve Bank (SARB) brought to market the biggest interest rate hike (+0.50%) but in the same month the inflation numbers in the country still surprised. With the weaker rand and increased oil prices now trickling towards petrol price increases, another high inflation number has been forecasted for June, which would then clear the way for further increases in interest rates.

### Portfolio Performance and Changes

In the second quarter of 2022, the Top40 index had a negative return of 11.75%. The index lagged the ALSI, which had a negative return of 11.69%.

There were only a few shares that contributed positively to the index return over the quarter, namely Naspers (NPN) (+42.28%), Prosus (PRX) (+32.6%), and British American Tobacco (BTI) (+13.56%).

The largest detractors from performance for the quarter were Anglo American plc (AGL) (-24.66%), MTN Group (MTN) (-30.51%), Richemont (CFR) (-8.77%) and FirstRand (FSR) (-19.49%).

During the quarter, following the merger of BHP Group Limited (BHG)'s Petroleum business with Woodside, BHP shareholders received an in-specie dividend or cash equivalent of Woodside ordinary shares. In terms of the agreement, BHP would receive new Woodside shares which will go to BHP shareholders, who will own 48% of the enlarged group. The dividend entitlement was that BHG shareholders will receive one Woodside Share for every 5.5340 BHP shares.

At the June 2022 FTSE/JSE index review there were no additions to or deletions from the index. The one-way turnover was 0.47%.

### 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 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: southafrica.securities-services@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 Top 40 Index (J200)

The FTSE/JSE Top 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.

#### 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.