

INVESTMENT POLICY SUMMARY

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. 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. The index is rebalanced quarterly and the fund therefore incurs minimal trading fees.

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 Top 40 Index (J200)
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	R1.6 billion
Last two distributions	30 Jun 2023: 20.93 cents per unit 31 Dec 2022: 31.85 cents per unit
Income decl. dates	30 Jun 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

TOP 10 HOLDINGS

Securities	% of Portfolio
Anglo American Plc	11.52
Naspers Ltd	11.27
Firststrand Ltd	6.06
Mtn Group Ltd	4.40
Standard Bank Group Ltd	4.20
Prosus Nv	4.08
Gold Fields Ltd	4.07
Compagnie Fin Richemont	3.98
Anglogold Ashanti Ltd	2.95
British Am. Tobacco Plc	2.75

as at 30 Jun 2023

PERFORMANCE (ANNUALISED)

Retail Class	Fund (%)	Benchmark (%)
1 year	21.37	22.18
3 year	15.41	16.27
5 year	9.51	10.33
Since inception	8.24	9.30

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

ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS*

Highest Annual %	22.00
Lowest Annual %	(1.38)

FEES (INCL. VAT)

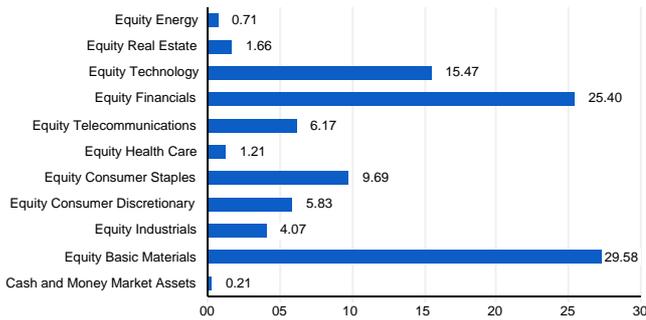
	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.52
Total Expense Ratio (TER)	0.55
Transaction Cost (TC)	0.11

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 2020 to 31 March 2023. 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.

ASSET ALLOCATION



PORTFOLIO QUARTERLY COMMENTARY - 30 JUN 2023

Market Commentary

Global shares continued to rally in the second quarter with the advance led by developed markets, where geopolitics and central banks were the main focus. Following Ukraine's long-awaited counteroffensive, Putin's rule appeared to be challenged domestically. US-China tensions seemed to de-escalate after Antony Blinken, the US Secretary of State, unexpectedly held a meeting with Xi Jinping, President of the People's Republic of China, during his Beijing trip. Elsewhere, Saudi Arabia announced further oil production cuts at the OPEC+ meeting, but Brent Crude only rose by 3.1% in June. Major central banks raised interest rates in the period although the US Federal Reserve elected to keep rates on hold in June. Government bond yields rose, resulting in bond prices falling.

For the second quarter of the year, the MSCI World Index was up 6.8%, the MSCI Emerging Markets Index was flat at 0.9%, lagging after a strong first quarter, and the MSCI USA Index was up 8.7% in US dollar total returns. The information technology (IT) sector led the stock market advance in the US. The MSCI India Index was up 12.2% during the quarter in US dollar terms while the MSCI China Index was down 9.7% amid concerns over a weaker-than-expected recovery. The MSCI Europe Index was up 3.3% while the MSCI United Kingdom Index was also up 2.1% in US dollar total returns.

Local markets were flat for the second quarter of the year, with the FSTE/JSE All Share Index (ALSI) up a mere 0.6%. The FTSE/JSE Top 40 Index (Top 40) rose 0.9% and the FTSE/JSE Capped Shareholder Weighted All Share Index (Capped SWIX) was up 1.1%. The South African 10-year Government Bond Yield closed the quarter at 10.5%, while the All Bond Index (ALBI) was down 1.5% for the quarter. The cash benchmark, the Alexander Forbes Short-Term Fixed-Interest (STeFI) Composite Index, delivered positive money market returns of 1.9% for the quarter while the FTSE/JSE SA Listed Property Index (SAPY) was up 0.6% for the quarter.

The South African Reserve Bank (SARB) raised the repo rate to 8.25% - its 10th consecutive hike in a row - taking it to a 14-year high as the central bank scrambled to tame inflation. SARB Governor Lesetja Kganyago cited the inflationary impacts of a weakening rand, ongoing load shedding and elevated global pricing levels as the primary drivers of the hike. The Reserve Bank's decision prompted the most undesirable response possible by markets as the rand plunged to a three-year low. The extreme depreciation of the currency experienced during the month of May was exacerbated by the bad sentiment surrounding Eskom and potential stage 8 and above load-shedding, weak economic growth data and reports that the country may have supplied weapons to Russia.

Portfolio Performance and Changes

In the second quarter of 2023, the FTSE/JSE Top 40 Index had a return of 0.95%, marginally underperforming the FTSE/JSE Shareholder Weighted Top 40 Index (SWIX 40), which was up 1.53%.

Top contributors to performance only achieved low double-digit returns for the quarter. FirstRand (FSR) (+13.4%), MTN Group (MTN) (+11.2%), Compagnie Financière Richemont (CFR) (+13.1%) and Gold Fields (GFI) (+10.3%) were some of the positive performers for the quarter.

Resources stocks continued their negative trajectory as production continued to be constricted given the severe power cuts during the quarter. The counters that saw the biggest losses include Impala Platinum (IMP) (-23.5%), Sibanye-Stillwater (SSW) (-20.8%) and Northam Platinum (NPH) (-13.3%).

Following the cancellation of the Compagnie Financière Richemont (CFR) AG Depositary Receipts programme in South Africa in April, the Compagnie Financière Richemont AG 'A' shares were converted to being treated as foreign for index purposes and the SWIX free float in all the indices was implemented at the June 2023 FTSE/JSE index review, seeing the weight of Richemont dropping to around 3% in the FTSE/JSE Top 40 Index.

At the June 2023 FTSE/JSE index review there were no additions to or deletions from the index. The one-way turnover was 18.15% mainly due to the change in weight of Compagnie Financière Richemont (CFR).

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.

CONTACT DETAILS

Manager

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

Investment Manager

The management of investments are outsourced to Satrix, a division of Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Trustee

Standard Chartered Bank, Tel No.: 011 217 6600, E-mail: southafrica.securities-services@sc.com

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*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.

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