

# New Funds Equity Momentum Exchange Traded Fund

Minimum Disclosure Document

Report Date: 29 January 2016

## Fund Objectives

Equity Momentum ETF is designed to capture returns from the short-term price momentum observed in the South African equity market through quarterly selection. Equity Momentum ETF tracks the total return\* version of the Barclays/Absa South Africa Equity Momentum Index. The Index selects the largest forty JSE-listed stocks based on market capitalisation and liquidity, these stocks are then ranked by their price momentum over the assessment period. Where stock with higher relative price momentum are assigned higher weightings and stock with negative price momentum are excluded from the Index.

Equity Momentum ETF is structured as a Financial Services Board (FSB)- approved Collective Investment Scheme Portfolio, issued under the NewFunds CIS umbrella. Listed on the JSE Limited, Equity Momentum ETF is suitable for investors seeking low-cost convenient alternatives to traditional non-listed products. The Equity Momentum ETF can act as a building block for investors to use when constructing their own portfolios.

## Fund Details

<b>Issuer</b>	NewFunds CIS	<b>Annualised TER**1</b>	0.36%
<b>Manager</b>	NewFunds (Pty) Ltd	<b>Fund Category</b>	South African – Equity – Large Cap
<b>Originator</b>	Absa Bank Limited acting through Absa CIB division and Absa Alternative Asset Management (Pty) Ltd	<b>Risk Profile<sup>2</sup></b>	Aggressive
<b>Trustee</b>	Standard Bank (SA) Ltd	<b>Index rebalance frequency</b>	Quarterly
<b>Benchmark index</b>	Barclays Capital/Absa Capital SA Equity Momentum Index	<b>Dividend frequency</b>	Mar, Jun, Sep & Dec
<b>Sector</b>	Exchange Traded Funds	<b>No. of securities issued</b>	1,100,000
<b>JSE code</b>	NFEMOM	<b>Ex Div Date of last distribution</b>	18/12/2015
<b>ISIN</b>	ZAE000162236	<b>Amount of last distribution</b>	16.03 cents per index security
<b>Base currency</b>	ZAR	<b>Net distribution payment</b>	13.63 cents per index security
<b>Listing date</b>	26/01/2012	<b>Next distribution payment</b>	Ex Date 17/03/2016 Record Date 24/03/2016 Pay Date 20/04/2016
<b>Net Asset Value</b>	29,353,446		

\* A total return ETF reinvests distributions back into the fund so as to increase the net asset value of the portfolio. Investors are also advised to speak to their tax or financial advisor about the tax treatment of distributions.

\*\* As published on Finswitch for the quarter ended 29 January 2016

## Benefits

- **Diversification:** exposure to the whole market / asset classes
- **Liquidity:** Absa market maker provides full liquidity to enable investors to easily buy or sell the ETF
- **Transparency:** The ETFs constituent assets, holdings and investment methodology are published regularly
- **Lower costs:** due to ETFs being passive in nature, they tend to have a low fee structure than actively managed funds
- **Investor protection:** ETF securities are fully backed by the underlying assets
- **Traded like a share:** ETFs are funds listed and traded like ordinary shares on a stock exchange

**ETF Performance<sup>3</sup> History as of 29 January 2016\***

Performance Period	NewFunds Equity Momentum ETF	Barclays Capital/Absa Capital SA Equity Momentum Index
Return since inception	9.72%	10.98%
1 year return	-5.96%	-5.15%
2 year return	7.35%	9.13%
3 year return	10.70%	12.57%
4 year return	14.45%	16.32%
5 year return	N/A	N/A

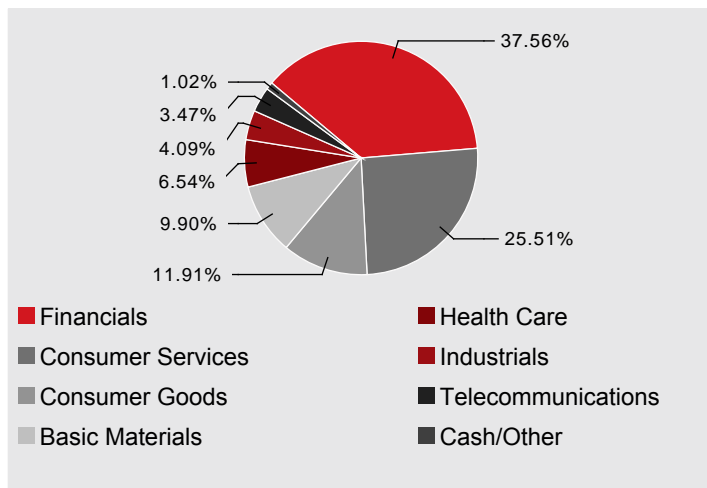
**Income Distribution in the past 12 months**

Month	Net Income in Cents
March 15	4.26
June 15	4.44
September 15	3.58
December 15	13.63

**Risk statistics since listing\***

	Annualised standard deviation <sup>4</sup>	Percentage positive months <sup>5</sup>	Maximum drawdown <sup>6</sup>
NewFunds Equity Momentum ETF	17.08%	55.10%	-19.00%
Barclays Capital/Absa Capital SA Equity Momentum Index	17.27%	59.18%	-18.52%

**Sector allocation\***



**Top 10 Holdings\***

Brait SE	7.51%
PSG Group Ltd	6.96%
Resilient Property Income Fund Ltd	6.88%
Truworths Int Ltd	6.57%
Pik n Pay Stores Ltd	6.30%
Capitec Bank Holdings Ltd	5.82%
Discovery Ltd	5.76%
Mondi Ltd	5.43%
Clicks Group Ltd	4.73%
Tiger Brands Ltd	4.69%

**Historical NAV chart\***



\* Source: Absa - January 2016

All the returns are annualised

## General Queries

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Absa CIB ETPs  
Website: <http://etfcib.absa.co.za>

## Notes

1. The Total Expense Ratio (TER) is a measure of the ETFs assets that have been sacrificed as payment for services rendered (allowable charges per prescribed industry standards) in the management of the ETF (the TER excludes brokerage and transactional costs), expressed as a percentage of the daily average value of the portfolio and calculated over a 12 month rolling period. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.
2. The risk classification is determined based on the price volatility and underlying asset type of the ETF.
3. The performance quoted represents past performance and does not guarantee future results. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting [etf.absacapital.com](http://etf.absacapital.com).
4. The standard deviation of the Fund's monthly returns since inception. This is a measure of how much an investment's return varies from its average over time.
5. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
6. Maximum percentage decline over any period. Maximum drawdown is calculated as a rate of return between the current NAV and the historical peak NAV.

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