

NewFunds NewSA Index Exchange Traded Fund

Minimum Disclosure Document

Report Date: 29 July 2016

Fund Objectives

The NewSA Index Exchange Traded Fund (NewSA ETF) is the first investment product in South Africa that enables investors to recognise and reward transformation by investing in SA Companies that have, to a certain extent implemented broad-based black economic empowerment (B-BBEE).

NewSA tracks the price* performance of the NewSA Index, a modified Top 40 index that weights the top 40 JSE listed companies in accordance with their empowerment ratings (as measured by Empowerdex, an independent empowerment rating agency). These ratings are calculated according to the Department of Trade and Industry's (DTI's) Codes of Good Practice on B-BBEE. The NewSA index is independently calculated by the FTSE and the JSE and updated daily.

Investing in the NewSA ETF is not only socially responsible, it is an intelligent investment option as highly empowered companies tend to perform better, particularly at a time when the South African government is driving large scale infrastructural development.

Fund Details

Issuer	NewFunds CIS	Annualised TER**1	0.57%
Manager	NewFunds (Pty) Ltd	Transaction Cost²	0.14%
Originator	Absa Bank Limited	Effective Annual Cost (EAC)³	0.71%
Trustee	Standard Bank (SA) Ltd	Risk Profile⁴	Aggressive
Benchmark index	NewSA Index	Index rebalance frequency	Quarterly
Sector	Exchange Traded Funds	Dividend frequency	Mar, Jun, Sep & Dec
Fund Category	South African – Equity – Large Cap	No. of securities issued	772,724
JSE code	NEWFSA	Ex Div Date of last distribution	20/06/2016
ISIN	ZAE000104055	Amount of last distribution	100.29 cents per index security
Base currency	ZAR	Net distribution payment	85.46 cents per index security
Listing date	01/12/2008	Next distribution payment	Ex Date 21/09/2016 Record Date 23/09/2016 Pay Date 18/10/2016
Net Asset Value	36,962,855		

* A price return ETF pays out distributions to investors. Investors are advised to speak to their tax or financial advisor about the tax treatment of distributions.

** As published on Finswitch for the quarter ended 29 July 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 Performance⁵ History as of 29 July 2016*

Performance Period	NewSA ETF	NewSA Index
Return since inception	14.81%	15.67%
1 year return	-4.93%	1.16%
2 year return	-0.89%	2.19%
3 year return	8.75%	10.95%
4 year return	12.40%	13.87%
5 year return	13.22%	14.46%

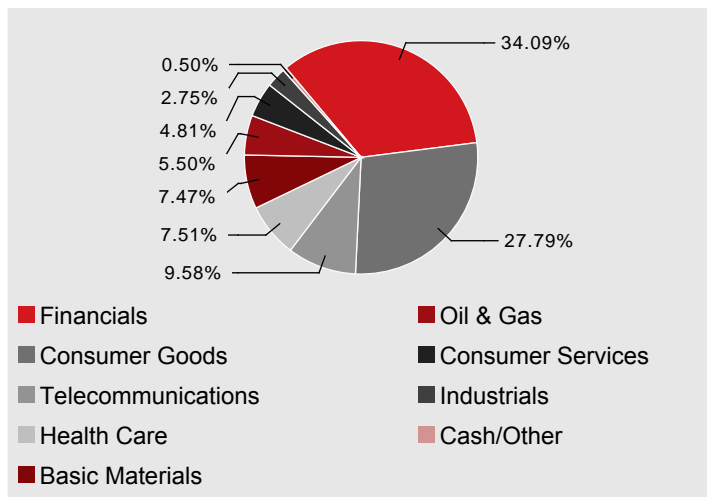
Income Distribution in the past 12 months

Month	Net Income in Cents
September 15	40.33
December 15	24.27
March 16	11.38
June 16	85.46

Risk statistics since listing*

	Annualised standard deviation ⁶	Percentage positive months ⁷	Maximum drawdown ⁸
NewSA ETF	19.20%	59.78%	-22.94%
NewSA Index	18.78%	59.78%	-21.60%

Sector allocation*



Top 10 Holdings*

SABMiller PLC	25.95%
MTN Group Limited	7.67%
Old Mutual plc	7.05%
Standard Bank Group Limited	5.77%
Anglo American PLC	5.74%
Sasol Limited	5.50%
FirstRand Ltd	5.12%
Aspen Pharmacare Holdings Ltd	4.09%
Sanlam Limited	3.83%
Remgro Ltd	2.75%

Historical NAV chart*



* Source: Absa - July 2016

All the returns are annualised

General Queries

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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 Transaction Cost is the cost incurred in the buying and selling of the underlying assets of an ETF. It is expressed as a percentage of the daily average value of the ETF and it is calculated over a 1 year period.
3. EAC is a measure of the charges that an investor will likely incur by investing in an ETF. It includes the investment management costs (TER and transaction costs), administration costs, advice costs and other costs. Our ETFs do not charge an administration or advice fees, these fees maybe payable through an investment platform chosen by the investor.
4. The risk classification is determined based on the price volatility and underlying asset type of the ETF.
5. 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.
6. 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.
7. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
8. 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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