

# NewFunds S&P GIVI SA Industrial 25 Exchange Traded Fund

Minimum Disclosure Document

Report Date: 28 September 2018

## Fund Objectives

NewFunds S&P GIVI SA Industrial 25 ETF offers investors a diversified exposure to twenty-five largest JSE-listed industrials stocks selected by intrinsic value and low volatility, at lower costs.

NewFunds S&P GIVI SA Industrial 25 ETF replicates the price\* performance of the S&P GIVI SA Industrials Index, an Index which represents the twenty-five stocks from the S&P GIVI SA composite having a GICS sector classification of industrials with the highest intrinsic value and lower volatility, subject to certain constraints such as liquidity and market capitalisation of stocks.

## Fund Details

|                        |  |  |   |
|------------------------|--|--|---|
| <b>Issuer</b>          | NewFunds CIS   | <b>Annualised TER**<sup>1</sup></b>            | 0.25%   |
| <b>Manager</b>         | NewFunds (Pty) Ltd   | <b>Maximum Management Fee<sup>2</sup></b>      | 0.35%   |
| <b>Originator</b>      | Absa Bank Limited acting through Absa CIB division and Absa Alternative Asset Management (Pty) Ltd | <b>Transaction Cost<sup>3</sup></b>            | 0.07%   |
| <b>Trustees</b>        | Standard Bank (SA) Ltd   | <b>Effective Annual Cost (EAC)<sup>4</sup></b> | 0.34%   |
| <b>Benchmark index</b> | eRAFI™   | <b>Risk Profile<sup>5</sup></b>                | Aggressive  |
| <b>Sector</b>          | Exchange Traded Funds  | <b>Index rebalance frequency</b>               | Semi Annually   |
| <b>Fund Category</b>   | South African – Equity – Industrial  | <b>Dividend frequency</b>                      | Mar, Jun, Sep & Dec   |
| <b>JSE code</b>        | GIVIND   | <b>No. of securities issued</b>                | 750,814   |
| <b>ISIN</b>            | ZAE000205241   | <b>Ex Div Date of last distribution</b>        | 18/07/2018  |
| <b>Base currency</b>   | ZAR  | <b>Amount of last distribution</b>             | 36.12 cents per index security                                      |
| <b>Listing date***</b> | 15/06/2009   | <b>Net distribution payment</b>                | 28.97 cents per index security                                      |
| <b>Net Asset Value</b> | 38,107,278   | <b>Next distribution payment</b>               | Ex Date 17/10/2018<br>Record Date 19/10/2018<br>Pay Date 22/10/2018 |
|                        |  | <b>Fund Valuation</b>                          | 17h00   |
|                        |  | <b>Tracking Error</b>                          | 0.16%   |
|                        |  | <b>Daily price information</b>                 | etfcib.absa.co.za   |

\* 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 28 September 2018

\*\*\* The ETF was listed on 15 June 2009, the underlying Index was changed to S&P GIVI SA Industrials Index on 1 June 2015.

## 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
- NewFunds ETFs are registered as Collective Investment Schemes (CIS)

**ETF Performance<sup>6</sup> History as of 28 September 2018\***

| Performance Period     | S&P GIVI SA Industrial 25 ETF | FTSE/JSE Industrial 25 Index |
|------------------------|-------------------------------|------------------------------|
| Return since inception | 12.49%                        | 18.59%                       |
| 1 year return          | -21.90%                       | -7.70%                       |
| 2 year return          | -9.54%                        | 2.27%                        |
| 3 year return          | -6.12%                        | 2.78%                        |
| 4 year return          | -1.48%                        | 6.33%                        |
| 5 year return          | 2.90%                         | 8.41%                        |

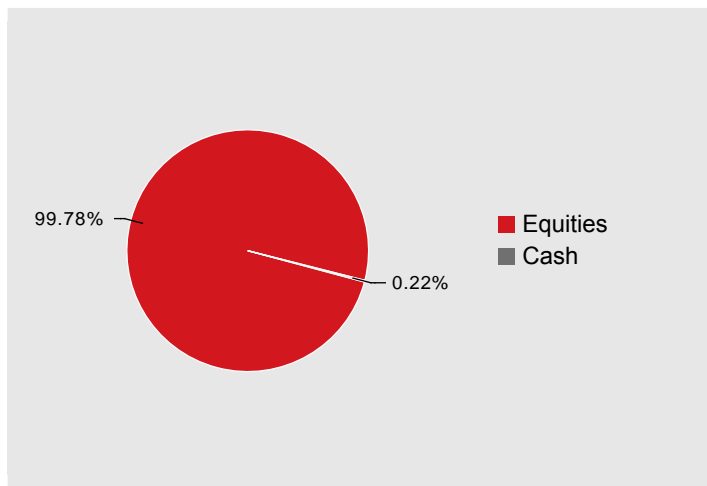
**Income Distribution in the past 12 months**

| Month       | Net Income in Cents |
|-------------|---------------------|
| December 17 | 19.27               |
| April 18    | 23.18               |
| July 18     | 28.97               |

**Risk statistics since listing\***

|                               | Highest annual return | Lowest annual return |
|-------------------------------|-----------------------|----------------------|
| S&P GIVI SA Industrial 25 ETF | 34.12%                | -24.03%              |
| FTSE/JSE Industrial 25 Index  | 55.66%                | -11.62%              |

**Asset Class Allocation**



**Top 10 Holdings\***

|                                  |        |
|----------------------------------|--------|
| British American Tobacco PLC     | 30.57% |
| Naspers Limited                  | 26.41% |
| Compagnie Financiere Richmond SA | 9.58%  |
| Vodacom Group                    | 7.01%  |
| Mediclinic International Plc     | 3.18%  |
| Shoprite Holdings Ltd            | 2.18%  |
| Pepkor Holdings Ltd              | 2.09%  |
| Aspen Pharmacare Holdings Ltd    | 2.08%  |
| BID Corp Ltd                     | 2.04%  |
| Telkom SA SOC Ltd                | 1.72%  |

**Historical NAV chart\***



\* Source: Absa - September 2018  
 All returns are annualised. Annualised returns represent an average growth rate of an investment per year, over a given time period.  
 For performance purposes FTSE/JSE Industrial 25 Index is used as a benchmark instead of S&P GIVI SA Industrials Index



## Contact Information

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### NewFunds Investment Plan

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### Absa CIB ETPs

Website: <http://etfcib.absa.co.za>

### Trustees Information

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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. Maximum management fee is the maximum fee which the manager charges for the portfolio. Where the TER is lower than the management fee, the Manager has subsidized the portfolios or waived allowable expenses. Such subsidies and waivers are not guaranteed perpetually and a higher TER will incur in the future.
3. 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.
4. 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. A schedule of management fees and transactions costs is available on request from the Manager.
5. Through index replication the fund invests in sector specific shares only, as a result it lacks diversification into other asset classes and sectors. The fund aims to deliver higher growth but can be very volatile during the short term resulting in capital loss.
6. The performance quoted represents past performance and the Manager does not provide any guarantee with respect to capital or future returns of the ETF. 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 <http://etfcib.absa.co.za>.
7. 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.
8. Highest annual return represents the highest one year return of the ETF since inception.
9. Lowest annual return represents the lowest one year return of the ETF since inception.
10. Performance is calculated for the portfolio and it differs from individual investments performance due to fees.
11. The fund does not engage in securities lending.

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