

NewFunds Shari'ah Top 40 Exchange Traded Fund

Minimum Disclosure Document

Report Date: 29 July 2016

Fund Objectives

The Shari'ah Top 40 Index ETF is an investment instrument created to comply with Islamic ethical investing, it gives investors diversified exposure to the broad market and allows investors to earn a market related performance while still complying with the Shari'ah principles of investing. The NewFunds Shari'ah Top 40 Index ETF tracks the price* performance of the FTSE/JSE Shari'ah Top 40 Index, an Index is designed to reflect the Shari'ah compliant companies identified from the FTSE/JSE Africa Top 40 Index by Yasaar Limited (Yasaar).

Yasaar Research Inc scholars represent all of the major Shari'ah schools of thought, creating a best practise approach that has credibility across all regions of the Islamic world.

The Shari'ah Top 40 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, the Shari'ah Top 40 ETF provides investors with a daily disclosed, low-cost, and easy-to access investment product that conforms to Shari'ah principles.

Fund Details

Issuer	NewFunds CIS	Annualised TER**1	0.28%
Manager	NewFunds (Pty) Ltd	Transaction Cost²	0.16%
Originator	Absa Bank Limited acting through Absa CIB division and Absa Alternative Asset Management (Pty) Ltd	Effective Annual Cost (EAC)³	0.44%
Trustee	Standard Bank (SA) Ltd	Risk Profile⁴	Aggressive
Benchmark index	FTSE/JSE Shari'ah Top 40 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	22,075,446
JSE code	NFSH40	Ex Div Date of last distribution	20/06/2016
ISIN	ZAE000130431	Amount of last distribution	2.79 cents per index security
Base currency	ZAR	Net distribution payment	2.37 cents per index security
Listing date	06/04/2009	Next distribution payment	Ex Date 21/09/2016 Record Date 23/09/2016 Pay Date 18/10/2016
Net Asset Value	68,989,340		

* 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	NewFunds Shari'ah Top 40 ETF	FTSE/JSE Shari'ah Top 40 Index
Return since inception	7.39%	7.26%
1 year return	-6.98%	-7.78%
2 year return	-12.56%	-12.79%
3 year return	0.40%	0.20%
4 year return	5.01%	4.65%
5 year return	3.68%	3.49%

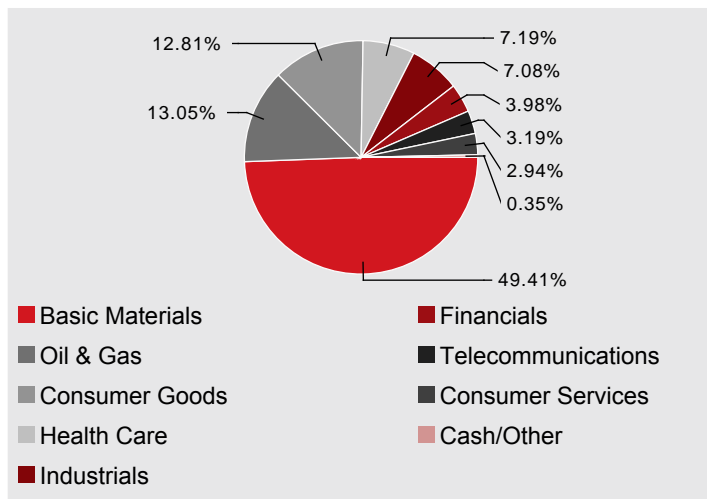
Income Distribution in the past 12 months

Month	Net Income in Cents
September 15	4.60
December 15	1.54
March 16	0.98
June 16	2.37

Risk statistics since listing*

	Annualised standard deviation ⁶	Percentage positive months ⁷	Maximum drawdown ⁸
NewFunds Shari'ah Top 40 ETF	22.87%	52.27%	-47.20%
FTSE/JSE Shari'ah Top 40 Index	22.04%	51.14%	-47.29%

Sector allocation*



Top 10 Holdings*

BHP Billiton PLC	22.39%
Sasol Limited	13.05%
Steinhoff International H NV	12.81%
Anglo American PLC	11.27%
Remgro Ltd	7.08%
AngloGold Ashanti Ltd	6.57%
Mondi Plc	5.92%
Mediclinic International Plc	4.56%
Growthpoint Prop Ltd	3.98%
Vodacom Group	3.19%

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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