

New Funds eRAFI™ Industrial 25 Exchange Traded Fund

Report Date: 31 March 2015

Fund Objectives

NewFunds eRAFI™ Industrial 25 ETF offers investors an opportunity to invest in the top 25 industrial sector JSE-listed companies ranked by fundamental value.

NewFunds eRAFI™ Industrial 25 ETF tracks the eRAFI™ Industrial 25 Index, an index compiled using the innovative enhanced Research Affiliates Fundamental Index™ (eRAFI™) approach to portfolio construction pioneered by California-based Research Affiliates. The eRAFI™ Industrial 25 Index is made up of top 25 companies ranked by fundamental valuation metrics (sales, cash flow, book value, dividends, in addition - net operating assets and debt coverage ratio) rather than market capitalisation, from a universe of the industrial sector companies that fall within the top 100 companies listed on the JSE.

Fund Details

Issuer	NewFunds CIS
Manager	NewFunds (Pty) Ltd
Originator	Absa Bank Limited and Grindrod Asset Management
Benchmark index	eRAFI™
Sector	Exchange Traded Funds
JSE code	RAFIND
ISIN	ZAE000135182
Base currency	ZAR
Listing date	15/06/2009
Net Asset Value	21,740,692

Annualised TER*¹	0.11%						
Index rebalance frequency	Quarterly						
Dividend frequency	Mar, Jun, Sep & Dec						
No. of securities issued	350,814						
Ex Div Date of last distribution	23/03/2015						
Amount of last distribution	13.30 cents per index security						
Net distribution payment	11.31 cents per index security						
Next distribution payment	<table border="0"> <tr> <td>Ex Date</td> <td>22/06/2015</td> </tr> <tr> <td>Record Date</td> <td>26/06/2015</td> </tr> <tr> <td>Pay Date</td> <td>21/07/2015</td> </tr> </table>	Ex Date	22/06/2015	Record Date	26/06/2015	Pay Date	21/07/2015
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* As published on Finswitch for the quarter ended 31 March 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

ETF Performance² History as of 31 March 2015*

Performance Period	eRAFI™ Industrial 25 ETF	FTSE/JSE Industrial 25 Index
Return since inception	23.36%	28.79%
1 year return	16.06%	23.05%
2 year return	20.95%	26.86%
3 year return	22.09%	30.98%
4 year return	20.79%	28.39%
5 year return	20.99%	27.34%

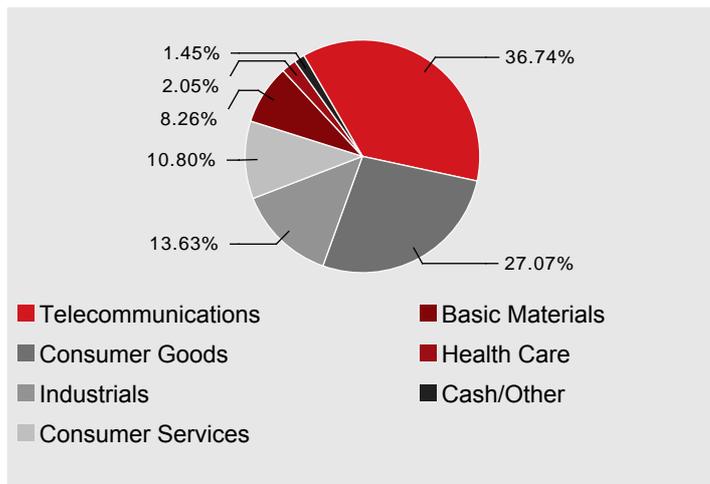
Income Distribution in the past 12 months

Month	Net Income in Cents
June 14	50.96
September 14	37.33
December 14	8.50
March 15	11.31

Risk statistics since listing*

	Annualised Volatility ³	Percentage positive months ⁴	Maximum drawdown ⁵
eRAFI™ Industrial 25 ETF	14.59%	67.14%	-10.43%
FTSE/JSE Industrial 25 Index	15.57%	72.86%	-11.50%

Sector allocation*



Top 10 Holdings*

MTN Group Limited	22.62%
Telkom SA SOC Ltd	11.12%
British American Tobacco PLC	10.46%
Steinhoff International Holdings Ltd	9.60%
Bidvest Group Ltd	6.20%
SABMiller PLC	5.69%
Sappi Ltd	3.66%
Vodacom Group	3.00%
Barloworld Ltd	2.66%
Mr Price Group Ltd	2.41%

Historical NAV chart*



* Source: Absa - March 2015
 All the returns are annualised
 For performance purposes FTSE/JSE Industrial 25 Index is used as a benchmark instead of eRAFI™ Industrial 25 Index

General Queries

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Absa CIB ETPs
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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 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.
3. 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.
4. The percentage of calendar months in which the Fund produced a positive monthly return since inception.
5. 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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