

INVESTMENT POLICY SUMMARY

This is a passive, pure equity fund which tracks the performance of the FTSE/JSE Capped Shareholder Weighted All Share Index. The fund is rebalanced quarterly and the fund therefore incurs minimal trading fees. We believe that the benchmark choice and resulting returns forms the most important elements of an equity strategy - by investing in a passive vehicle the returns to investment strategies are known.

WHY CHOOSE THIS FUND?

*This fund is ideal for the investor who seeks the general equity market performance through a well-diversified equity portfolio at low costs.

*This is a passive, 100% equity investment with no stock picking or asset allocation calls.

*This fund is a pure equity fund and is therefore not Regulation 28 compliant.

*This fund could also serve as the core component of the equity portion of a client's portfolio.

FUND INFORMATION

ASISA Fund Classification	SA - Equity - General
Risk profile	Aggressive
Benchmark	FTSE/JSE Capped Swix (J433)
Portfolio launch date	Oct 2017
Fee class launch date	Oct 2017
Minimum investment	Manual: Lump sum: R10 000 Monthly: R500 SatrixNOW.co.za : No minimums
Portfolio size	R1.5 billion
Last two distributions	30 Jun 2022: 21.69 cents per unit 31 Dec 2021: 21.73 cents per unit
Income decl. dates	30 Jun 31 Dec
Income price dates	1st working day in July and January
Valuation time of fund	17:00
Transaction cut off time	Manual: 15:00 SatrixNOW.co.za: 13:30
Daily price information	www.satrix.co.za
Repurchase period	T+3

TOP 10 HOLDINGS

Securities	% of Portfolio
Naspers Ltd	8.24
Firststrand Ltd	5.47
Anglo American Plc	4.67
Mtn Group Ltd	4.18
Standard Bank Group Ltd	3.93
Prosus Nv	3.51
British Am. Tobacco Plc	2.94
Capitec Bank Holdings Ltd	2.83
Impala Platinum Holdings Ltd	2.82
Absa Group Limited	2.80

as at 30 Nov 2022

PERFORMANCE (ANNUALISED)

Retail Class	Fund (%)	Benchmark (%)
1 year	11.73	12.64
3 year	11.28	12.28
5 year	4.68	5.66
Since inception	5.03	6.08

Annualized return is the weighted average compound growth rate over the period measured.

ACTUAL HIGHEST AND LOWEST ANNUAL RETURNS*

Highest Annual %	26.77
Lowest Annual %	(13.21)

FEES (INCL. VAT)

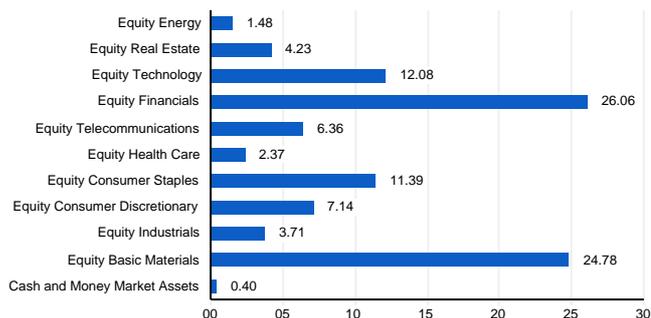
	Retail Class (%)
Advice initial fee (max.)	N/A
Manager initial fee	N/A
Advice annual fee (max.)	1.15
Manager annual fee	0.52
Total Expense Ratio (TER)	0.56
Transaction Cost (TC)	0.25

Advice fee | Any advice fee is negotiable between the client and their financial advisor. An annual advice fee negotiated is paid via a repurchase of units from the investor. The portfolio manager may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity. This fund is also available via certain LISPS (Linked Investment Service Providers), which levy their own fees.

Total Expense Ratio (TER) | The TER is the charges incurred by the portfolio, for the payment of services rendered in the administration of the CIS. The TER is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years. The TER is calculated from 01 October 2018 to 30 September 2022. A higher TER does not imply a poor return nor does a low TER imply a good return.

The Transaction Cost (TC) is the cost incurred by the portfolio in the buying and selling of underlying assets. This is expressed as a percentage of the daily NAV of the CIS and calculated over a period of 3 years. Obtain the costs of an investment prior to investing by using the EAC calculator provided at www.satrix.co.za

ASSET ALLOCATION



PORTFOLIO QUARTERLY COMMENTARY - 30 SEP 2022

Market Commentary

Soaring inflation across the globe has put central banks on a difficult journey, as more aggressive tightening was needed to combat the rise in inflation. For the third time in a row, the US Federal Reserve (Fed) raised rates during its September meeting, adding 0.75%. The South African Reserve Bank (SARB) followed suit and also raised its benchmark repo rate by another 0.75% in September. For the SARB this was the sixth consecutive rate hike since late 2021. The People's Bank of China and the Bank of Japan kept their rates steady during the quarter, while the European Central Bank raised its rates by 0.75% and the Bank of England increased its benchmark rate to 2.25%, its seventh consecutive rate hike.

For the third quarter of the year, the MSCI World Index was down 6.2%, the MSCI Emerging Markets Index was down 11.2% and the MSCI USA Index down 4.8% in US dollar total returns. The MSCI India Index was up 6.5% during the quarter in dollar terms while the MSCI China Index was down 22.5%. The MSCI Europe Index was down 10.1% and the MSCI United Kingdom Index down by 10.8% in US dollar total returns.

A strong dollar coupled with the aggressive interest rate hikes across the globe and fear of a global economic slowdown threatened the demand of energy while OPEC+ said it expected demand for oil to wane. The Brent crude price ended the quarter at \$80 a barrel, a 27% decrease from the start of the quarter. As the Fed turned hawkish to curb inflation, gold started the third quarter at \$1 806.89 an ounce and closed the quarter at \$1662.10, a loss of 8%. For the first time since 2008, the US 10-year Government Bond yield hit 4% but eased and closed the quarter at 3.83%.

In local markets, the FTSE/JSE All Share Index (ALSI) was down 1.9% for the third quarter of the year, hitting the lowest point since the beginning of the year. For the quarter, the FTSE/JSE Top 40 Index (Top 40) (-2.7%) and FTSE/JSE Capped Shareholder Weighted All Share (Capped SWIX) (-2.4%) were also down. The South African Government 10-year bond yield closed the quarter at 10.88%, while the All Bond Index (ALBI) was up 0.6% for the quarter. The cash benchmark, the Alexander Forbes Short-Term Fixed-Interest (STeFI) Composite Index, delivered positive money market returns of 1.35% for the quarter while the FTSE/JSE SA Listed Property Index (SAPY) was down 3.5% for the quarter.

Power cuts in South Africa escalated and have now become the worst load shedding on record, derailing economic recovery prospects and adding to the poor performance of the South African rand, which was already negatively impacted by the strong dollar. For the full quarter, the South African rand depreciated by 9.7% to the US dollar, closing at R17.97 to the greenback, R20.06 to the pound and at R17.60 to the euro.

Portfolio Performance and Changes

In the third quarter of 2022, the Capped SWIX index delivered a negative return of 2.43%, performing in line with the FTSE/JSE Shareholder Weighted All Share Index (SWIX), which was down 2.44%. Given the new index construction rule on Group Entity Capping, which applies to all indices that have a fixed capping level based on an underlying market capitalisation weighting or SWIX weighting, the constituent weights of the Capped SWIX and SWIX indices are very similar and therefore they have a similar return profile. Although the index had a negative month, it significantly outperformed the Top 40 index, which was down 3.44%.

The performance of a number of financial stocks contributed to the quarter's negative performance. Capitec (CPI) (-21.65%) declined since early September when its earnings report fell short of investor expectations. Discovery (DSY) (-18.09%) shares fell 10% in September after the group announced it would withhold dividends 'in light of the uncertain future impact of Covid-19 and the volatile global macro-economic environment'. These large cap companies were some of the largest detractors from performance for the quarter. Kumba Iron Ore (KIO) (-21.38%) was down as the news of the strike at Transnet caused additional weakness in the stock. Sasol (SOL) (-19.59%) and Sappi (SAP) (-18.27%) also moved the performance of the index further into negative territory.

Montauk Renewables (MKR) (+88.75%), Thungela Resources (TGA) (+71.16%) and African Rainbow Minerals (ARI) (+23.74%) had strong positive returns for the quarter but given their small-cap status were unable to make a dent in the large negative overall performance of the index. ABSA Group (ABG) (+18.39%) and Glencore plc (GLN) (+14.09%) were also positive contributors to the overall performance of the index.
 Issue Date: 15 Dec 2022

At the September 2022 FTSE/JSE index review South 32 (S32) was added to the index. City Lodge Hotels (CLH) and Zeder Investments (ZED) were deleted from the index. The one way turnover was 1.66%.

Our strategy

Satrix currently tracks the FTSE/JSE Capped SWIX All Share Index using an optimised model. The optimised model holds between 125 and 131 shares out of a possible 136 shares at an ex-ante active risk of between 6 and 9 basis points.

The portfolio performance was in line with the index over the quarter. Any deviations from the benchmark could solely be attributed to cash drag and trading cost.

RISK PROFILE (AGGRESSIVE)

This is an aggressively managed, high-risk portfolio that aims to deliver capital growth over the long term (greater than 5 years). It is designed to track the benchmark and is a pure equity fund. There may be some capital volatility in the short term, although higher returns may be expected from five years or beyond.

CONTACT DETAILS

Manager

Satrix Managers (RF) Pty Ltd (Reg. No. 2004/009205/07). 4th Floor, Building 2, 11 Alice Lane, Sandown, 2146.

Investment Manager

The management of investments are outsourced to Satrix, a division of Sanlam Investment Management (Pty) Ltd, FSP 579, an authorised Financial Services Provider under the Financial Advisory and Intermediary Services Act, 2002.

Trustee

Standard Chartered Bank, Tel No.: 011 217 6600, E-mail: southafrica.securities-services@sc.com

DISCLAIMER

Although all reasonable steps have been taken to ensure the information on this website/advertisement/brochure is accurate. The information to follow does not constitute financial advice as contemplated in terms of the Financial Advisory and Intermediary Services Act. Use or rely on this information at your own risk. Independent professional financial advice should always be sought before making an investment decision.

*The highest and lowest annualised performance numbers are based on 10 non-overlapping one year periods or the number of non-overlapping one year periods from inception where performance history does not yet exist for 10 years.

The Sanlam Group is a full member of the Association for Savings and Investment SA. Collective investment schemes are generally medium- to long-term investments. Please note that past performances are not necessarily a guide to future performances, and that the value of investments / units / unit trusts may go down as well as up. A schedule of fees and charges and maximum commissions is available from the Manager, Satrix Managers (RF) (Pty) Ltd, a registered and approved Manager in Collective Investment Schemes in Securities. Additional information of the proposed investment, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge. Collective investments are traded at ruling prices and can engage in borrowing and scrip lending. Collective investments are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any deductible expenses such as audit fees, brokerage and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Forward pricing is used. The Manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The performance of the portfolio depends on the underlying assets and variable market factors. Performance is based on NAV to NAV calculations with income reinvestments done on the ex-div date. Lump sum investment performances are quoted. The portfolio may invest in other unit trust portfolios which levy their own fees, and may result in a higher fee structure for our portfolio. All the portfolio options presented are approved collective investment schemes in terms of Collective Investment Schemes Control Act, No 45 of 2002 ("CISCA"). The fund may from time to time invest in foreign instruments which could be accompanied by additional risks as well as potential limitations on the availability of market information. The Manager has the right to close any portfolios to new investors to manage them more efficiently in accordance with their mandates. The portfolio management of all the portfolios is outsourced to financial services providers authorized in terms of the Financial Advisory and Intermediary Services Act, 2002. Standard Chartered Bank is the appointed trustee of the Satrix Managers Scheme.