



DECEMBER 2013 – etfSA.co.za MONTHLY SOUTH AFRICAN ETF, ETN AND UNIT TRUST INDEX TRACKING PERFORMANCE SURVEY

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The latest Performance Survey for the period ended 31st December 2013 is attached. The Survey covers the total return performance from 1 month to 5 years (when available) for all 63 passive ETPs and 17 index tracking unit trusts available to retail investors in South Africa.

Page 3 of the Survey has a summary table of the best performing funds over various time periods and from page 4 onwards, the performance of each individual fund is measured.

As this is the year-end Survey for 2013, some rewards for the best performing Funds appears appropriate.

etfSA.co.za Awards for Top Performing Passive Retail Funds - 2013

A) Fund of the Year

DBX Tracker MSCI USA ETF : 60,83% return in 2013

Coming out tops for the year in the performance stakes for passive index tracker funds is the DBX Tracker USA ETF, which tracks the performance of the top 600 listed US companies. Other DBX Tracker funds also performed well with the Japanese, Eurostoxx and World ETF Funds providing returns of 54% or more over the past year, clearly signifying that offshore investments, which have benefited from international stockmarket recovery, as well as rand depreciation, have been the optimal investments over the past 12 months.

B) Best Long-Term Fund

Satrix INDI 25 ETF : 28,83% per annum return for the past 5 years

The Satrix INDI 25 ETF, which tracks the FTSE/JSE Industrial Index of 25 top listed companies on the JSE, remains the long-term champion. This Fund also appears at the peak of all Collective Investment Schemes for longer investment periods of 7 to 10 years.

The Industrial Index contains no mining, nor financial shares, so has relatively low volatility and some 70% of companies in the index earn the bulk of their revenue outside of South Africa, imparting high rand hedge qualities to this index. As I have been reiterating now for some years, the Industrial index and the Satrix INDI 25 ETF are the real benchmarks for the South African equity market.

C) Most Promising New Fund

NewPlat ETF

Only listed in May 2013, this ETF does not yet have a performance history, but has raised over R11 billion in new capital on the JSE over the last 7 months, making it the biggest capital raising exercise on the local stockmarket for some years.

Institutional investors have been piling into this product, reportedly by switching from investment in platinum mining shares to direct investment in the physical platinum market.

D) Most Innovative New Fund**PrefTrax ETF**

Launched in mid-2012, this ETF tracks a portfolio of 19 of the largest listed preference shares on the JSE. As interest rates start rising in South Africa, and elsewhere in the world, investment products that provide a variable rather than fixed interest rate return, will come into prominence.

Preference shares pay dividends linked to the prime rate of interest and currently offer a 7,7% yield, taxed as dividends and not interest. These returns should grow over the next few years as interest rates rise. Preference shares trade at par and do not provide much risk of capital gain or loss over time.

E) Worst Performing Fund in 2013**Investec Gold ETN : (34,59%) decline in 2013**

The value of this Fund declined by close to 35% in 2013 as the US dollar gold price fell in international commodity markets. Unlike NewGold ETF or the Standard Bank Gold-Linker ETN, which reflect the rand price of gold, and were therefore partially protected by rand depreciation (falling by only 11% in 2013), the Investec Gold ETN offers exposure predominantly to the US dollar gold price.

What to Look Out for in 2014**DBX China MSCI ETN**

Many forecasters predict Chinese economic growth recovering to some 8% per annum in 2014. This should promote some recovery in Chinese equities. Although the DBX China ETN has performed relatively well in recent years (26,70% return in 2013 and 27,33% return per annum for the past two years), much of this is to do with the rand's depreciation against the US dollar.

RMB MidCap ETF

This product tracks the FTSE/JSE MidCap index of companies ranking from 41 to 101 in market capitalisation. There is some evidence that the JSE momentum is switching gradually towards mid and small cap companies and the RMB MidCap ETF is the only tracker fund covering this sector of the market.

NewFunds Equity Momentum ETF

This ETF tracks an index of top JSE shares reflecting price momentum. With the JSE recovery in a "growth" phase, this product, which has been showing some promise in recent months, could benefit.

Absa New Palladium ETF

Absa Capital have announced that they will launch an ETF giving exposure to physical palladium metal markets early in 2014. With palladium scarcer than platinum, this ETF could be one to invest in if world economic recovery leads to increased commodity demand.

Listed Property Tracker Funds

In recent times, the rise in long-term interest rates in South Africa has led to a sell-off in listed property shares. This is because the yield in property shares is expected to approximate the yield for long term Government bonds. Accordingly, the stockmarket has pushed down property share prices, to ensure that historical yields rise to the returns expected from fixed income bonds.

However, there is no evidence from the past to indicate that property companies should not be able to boost their income from rentals and revaluation of buildings to provide the higher yields expected. In which case, the fall in property share prices is overdone. Also, as Ian Andersen of Grindrod Asset Management points out, listed property shares have outperformed the bond market by 15% per year over the past ten years. As the total returns on fixed income bonds decline, this is the right time to switch to listed property shares, which provide the potential for both income as well as capital gains.

Proptrax SAPY ETF, Proptrax Ten ETF and Stanlib Property ETF are index tracking ETFs, giving access to listed property. Recently two new index tracking unit trusts have been launched – the **SIM Property Index Fund** and the **Sygnia Listed Property Index Fund**.

Summary Table

etfSA.co.za Monthly Performance Survey					
Best Performing Index Tracker Funds – 31 December 2013					
(Total Return %)*					
Fund Name	Type	5 Years (per annum)	Fund Name	Type	3 Years (per annum)
Satrix INDI 25	ETF	28,83%	DBX Tracker MSCI USA	ETF	33,35%
Satrix FINI 15	ETF	20,01%	Satrix INDI 25	ETF	29,40%
NewFunds NewSA	ETF	19,73%	DBX Tracker MSCI World	ETF	28,66%
Satrix SWIX Top 40	ETF	19,36%	DBX Tracker FTSE 100	ETF	27,33%
		2 Years (per annum)			1 Year
Satrix INDI 25	ETF	40,36%	DBX Tracker MSCI USA	ETF	60,87%
DBX Tracker MSCI USA	ETF	39,03%	DBX Tracker MSCI Japan	ETF	54,83%
DBX Tracker Eurostoxx 50	ETF	38,94%	DBX Tracker Eurostoxx 50	ETF	54,80%
DBX Tracker MSCI World	ETF	36,48%	DBX Tracker MSCI World	ETF	54,58%
	ETF	6 Months			3 Months
DBX Tracker Eurostoxx 50	ETF	33,44%	DBX Tracker MSCI USA	ETF	13,94%
DBX Tracker FTSE 100	ETF	24,98%	DBX Tracker Eurostoxx 50	ETF	13,58%
DB Tracker MSCI China	ETN	23,93%	NewFunds Equity Momentum	ETF	11,11%

Source: Profile Media FundsData (31/12/2013) * Includes reinvestment of dividends.

The etfSA.co.za Performance Survey measures the total return (Net Asset Value (NAV to NAV)) changes including reinvestment of dividends for index tracking unit trusts and Exchange Traded Funds (ETFs) available to the retail public in South Africa. The performance tables (attached) measure the 1 month to 5 years total return for a lump sum investment compared with the benchmark index returns (including reinvestment of dividends). All indices are shown in total return format. Note, as the FTSE/JSE calculates the index without taking into account any brokerage or other transaction costs, index tracking products will typically underperform the index because of their transaction and other running costs. **Please Note:** future performance will not necessarily repeat historic performance data.

The full Performance survey is attached.



MONTHLY PERFORMANCE SURVEY OF INDEX TRACKING ETFS, ETNs AND UNIT TRUSTS

For Period Ended 31 December 2013

(Total Returns – dividends reinvested)

A) EXCHANGE TRADED FUNDS	1 Month	3 Months	6 Months	1 Year	2 years p.a.	3 years p.a.	5 years p.a.
1. TOP 40 ETF PRODUCTS							
FTSE/JSE Top 40 Index	3,01%	5,22%	19,87%	21,90%	24,24%	16,25%	19,70%
Nedbank BettaBeta Equally Weighted Top 40	1,47%	0,06%	13,70%	9,88%	20,35%	14,80%	-
NewFunds SWIX Top 40 (Total Return)	4,08%	5,89%	19,25%	20,83%	-	-	-
RMB Top 40 Portfolio	3,31%	5,49%	20,04%	22,42%	24,10%	16,25%	19,24%
Satrix 40 Portfolio	2,96%	5,09%	19,47%	21,69%	23,57%	15,83%	18,90%
Satrix SWIX Top 40 Portfolio	3,64%	5,57%	18,93%	20,82%	24,36%	17,01%	19,36%
STANLIB Top 40	3,05%	5,35%	19,28%	20,99%	23,00%	15,71%	-
STANLIB Swix Top 40	3,72%	5,61%	19,31%	19,99%	23,69%	16,87%	-
2. JSE Sector Exposure ETFs							
FTSE/JSE Industrial 25 Index	3,79%	6,59%	19,35%	37,03%	40,96%	29,98%	29,37%
NewFunds eRAFI INDI 25	5,37%	7,83%	17,66%	26,13%	29,17%	20,74%	-
Satrix INDI 25	4,06%	6,82%	19,27%	37,01%	40,36%	29,40%	28,83%
FTSE/JSE Financial 15 Index	2,32%	6,78%	14,11%	18,55%	28,17%	20,90%	21,37%
NewFunds eRAFI FINI 15	1,54%	6,73%	15,26%	22,84%	33,04%	23,22%	-
Satrix FINI 15	2,04%	6,28%	14,88%	18,42%	27,33%	19,84%	20,01%
FTSE/JSE Resources 10 Index	1,69%	2,48%	22,31%	2,13%	2,89%	(0,72%)	8,89%
NewFunds eRAFI RESI 20	1,50%	1,69%	21,10%	7,15%	9,24%	3,45%	-
Satrix RESI 10	1,31%	2,00%	21,55%	1,82%	2,24%	(0,98%)	7,88%

MONTHLY PERFORMANCE SURVEY OF INDEX TRACKING ETFs, ETNs AND UNIT TRUSTS

For Period Ended 31 December 2013

(Total Returns – dividends reinvested)

A) EXCHANGE TRADED FUNDS(continued)	1 Month	3 Months	6 Months	1 Year	2 years p.a.	3 years p.a.	5 years p.a.
3. Bond (Fixed Interest) ETFs							
All Bond Total Return Index	1,13%	0,13%	2,04%	0,64%	8,05%	8,30%	7,65%
NewFunds GOVI (Total Return)	1,10%	0,19%	2,05%	0,87%	-	-	-
NewFunds ILBI (Inflation-Linked) (Total Return)	1,05%	2,72%	3,90%	0,74%	-	-	-
zShares GOVI	1,05%	(0,01%)	1,62%	(0,42%)	6,99%	7,42%	6,83%
RMB Inflation Linked (Inflation-X)	1,03%	2,67%	3,76%	0,38%	9,17%	10,25%	-
4. Property ETFs							
FTSE/JSE Property (SAPY) Index	0,90%	0,88%	(0,44%)	7,83%	21,30%	17,03%	18,81%
Proptrax SAPY	(0,02%)	(1,45%)	0,54%	6,97%	18,70%	14,96%	17,18%
Proptrax TEN	(0,48%)	(0,95%)	0,03%	4,94%	18,15%	-	-
STANLIB Property	1,37%	0,58%	1,24%	-	-	-	-
5. "Style" ETFs							
FTSE/JSE All Share Index	2,71%	5,25%	18,44%	20,69%	23,86%	16,20%	20,04%
Nedbank BGreen	1,02%	1,12%	16,57%	7,57%	15,88%	-	-
NewFunds Equity Momentum Fund (Total Return)	5,81%	11,11%	19,03%	18,56%	-	-	-
NewFunds Shari'ah Top 40	3,44%	4,55%	22,92%	16,40%	16,33%	9,23%	-
NewFunds NewSA	3,67%	6,76%	19,80%	23,62%	28,66%	17,95%	19,73%
NewFunds NewRand	1,78%	3,42%	20,41%	20,20%	22,33%	14,17%	16,07%
NewFunds eRAFI Overall	3,00%	5,68%	20,05%	17,62%	20,59%	14,25%	18,83%
MAPPS – Protect	2,22%	3,38%	9,45%	8,86%	14,30%	-	-
MAPPS – Growth	3,29%	4,64%	14,94%	15,77%	19,79%	-	-
RMB MidCap	1,10%	5,41%	10,23%	12,01%	-	-	-
Satrix DIVI Plus	1,80%	3,84%	10,03%	4,96%	15,36%	11,51%	19,01%
Satrix RAFI Total Return	2,92%	5,21%	19,02%	16,29%	19,64%	13,57%	18,76%

MONTHLY PERFORMANCE SURVEY OF INDEX TRACKING ETFs, ETNs AND UNIT TRUSTS

For Period Ended 31 December 2013

(Total Returns – dividends reinvested)

A) EXCHANGE TRADED FUNDS(continued)	1 Month	3 Months	6 Months	1 Year	2 years p.a.	3 years p.a.	5 years p.a.
6. Foreign ETFs							
MSCI World Index (in Rands)	3,79%	9,46%	20,79%	53,31%	33,93%	26,83%	15,04%
DBX Tracker MSCI Eurostoxx 50	4,70%	13,58%	33,44%	54,80%	38,94%	25,06%	9,71%
DBX Tracker MSCI FTSE 100	4,54%	10,35%	24,98%	46,01%	32,04%	27,33%	17,29%
DBX Tracker MSCI USA	5,24%	13,94%	21,75%	60,87%	39,03%	33,35%	19,29%
DBX Tracker MSCI Japan	3,21%	5,64%	13,70%	54,83%	32,08%	21,86%	8,96%
DBX Tracker MSCI World	4,52%	11,65%	22,27%	54,58%	36,48%	28,66%	16,63%
7. Money Market ETFs							
Grindrod PrefTrax	3,50%	3,91%	2,81%	0,93%	-	-	-
NewFunds TRACI (Total Return)	0,39%	1,19%	2,46%	5,32%	-	-	-
8. Commodity ETFs							
NewGold	(0,53%)	(5,59%)	4,77%	(11,17%)	(1,17%)	9,89%	8,71%
NewPlat	1,63%	0,53%	7,98%	-	-	-	-

B) EXCHANGE TRADED NOTES	1 Month	3 Months	6 Months	1 Year	2 years p.a.	3 years p.a.	5 years p.a.
Absa Capital							
NewWave EURO	4,32%	6,46%	11,20%	29,23%	-	-	-
NewWave Pound	3,95%	6,51%	14,89%	26,80%	-	-	-
NewWave US Dollar	2,74%	4,58%	4,27%	23,53%	-	-	-
NewWave Platinum	2,21%	0,49%	8,10%	9,71%	-	-	-
NewWave Silver	0,49%	(5,99%)	9,68%	(21,84%)	-	-	-



MONTHLY PERFORMANCE SURVEY OF INDEX TRACKING ETFS, ETNs AND UNIT TRUSTS
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B) EXCHANGE TRADED NOTES (continued)	1 Month	3 Months	6 Months	1 Year	2 years p.a.	3 years p.a.	5 years p.a.
Deutsche Bank							
DB MSCI China Total Return	(1,15%)	8,38%	23,93%	26,70%	27,33%	-	-
DB MSCI Emerging Markets Total Return	1,80%	6,88%	15,11%	19,59%	21,27%	-	-
DB Africa Top 50 Capped Total Return	4,01%	11,42%	21,23%	22,82%	32,31%	-	-
Investec							
Top 40 ETN	3,21%	5,71%	21,41%	22,46%	-	-	-
SWIX Top 40 ETN	4,30%	6,58%	22,03%	22,00%	-	-	-
Gold ETN	(7,18%)	(11,23%)	(2,74%)	(34,59%)	-	-	-
Rand Merchant Bank							
RMB Oil	10,78%	0,87%	8,55%	33,14%	8,99%	13,57%	-
RMB Coal	3,61%	11,81%	15,25%	0,37%	(10,11%)	-	-
Standard Bank							
Africa Equity Index Total Return	3,88%	8,37%	20,88%	18,89%	23,52%	-	-
Africa Commodity Basket Index	3,15%	(1,99%)	3,15%	10,64%	8,72%	-	-
Gold-Linker	(0,98%)	(6,08%)	4,09%	(11,97%)	(1,40%)	9,27%	-
Silver-Linker	0,38%	(7,67%)	6,12%	(21,76%)	(6,08%)	(1,23%)	-
Palladium-Linker	1,26%	1,80%	14,91%	24,00%	18,73%	10,83%	-
Platinum-Linker	1,99%	(0,24%)	7,43%	8,18%	11,00%	5,74%	-
Copper ETN	8,40%	5,72%	14,48%	13,06%	11,47%	-	-
Corn ETN	3,16%	(6,45%)	(21,39%)	(13,14%)	2,02%	-	-
Oil ETN	9,32%	3,03%	12,82%	39,13%	13,12%	-	-
Wheat ETN	(7,08%)	(10,02%)	(7,69%)	(9,02%)	1,12%	-	-

Source: Profile Media – FundsData (31/12/2013)

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MONTHLY PERFORMANCE SURVEY OF INDEX TRACKING ETFS, ETNs AND UNIT TRUSTS
For Period Ended 31 December 2013
(Total Returns – dividends reinvested)

C) INDEX TRACKING UNIT TRUSTS	1 Month	3 Months	1 Year	3 years p.a.	5 years p.a.
1. TOP 40 PRODUCTS					
FTSE/JSE Top 40 Index	3,01%	5,22%	21,90%	16,25%	19,70%
Kagiso Top 40 Tracker Fund	3,27%	5,36%	21,62%	15,62%	18,62%
Old Mutual Top 40 Fund	3,26%	5,46%	21,67%	15,46%	18,45%
Stanlib ALSI 40 Fund	3,39%	5,75%	22,04%	15,62%	18,73%
SIM Index Fund	3,24%	5,24%	21,23%	15,09%	18,06%
Momentum Top 40 Index Fund	3,26%	5,49%	21,75%	15,52%	18,69%
SIM Equally Weighted Top 40 Index Fund	1,46%	0,82%	10,44%	13,33%	-
2. All Other Index Tracking Products					
FTSE/JSE All Share Index	2,71%	5,25%	20,69%	16,20%	20,04%
Sanlam All Share Index Fund	2,92%	5,21%	20,13%	15,80%	19,21%
Gryphon All Share Tracker Fund	2,52%	5,15%	22,03%	16,37%	19,35%
Stanlib Index Fund	3,04%	5,69%	21,11%	15,70%	19,01%
SIM RAFI 40 Index Fund	2,91%	5,19%	16,18%	-	-
Grindrod RAFI Enhanced SA Strategy Fund	2,74%	5,40%	16,30%	12,25%	16,94%
Old Mutual RAFI 40 Tracker Fund	2,91%	5,29%	16,11%	13,39%	18,34%
SIM Dividend Plus Index Fund	2,55%	4,50%	5,31%	-	-
SIM Property Index Fund	0,91%	0,78%	7,37%	-	-
Prudential Enhanced SA Property Tracker Fund	1,22%	1,37%	9,23%	16,75%	18,71%
Sygnia Div Index Fund	2,74%	4,39%	-	-	-
Sygnia Listed Property Index Fund	1,00%	0,57%	-	-	-

Source: Profile Media – FundsData (31/12/2013)

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