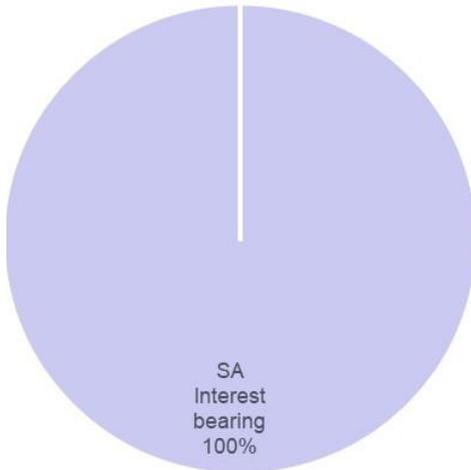


**Benchmark Asset Allocation**



**Key Information**

**Structure**

27four Life Policy

**Benchmark**

STeFI Call Deposit

**Return Target**

CPI over rolling three years

**Risk Profile**

Low (L)

**Portfolio Fees**

TER: 0.25% p.a. incl. VAT

TIC: 0.25% p.a. incl. VAT

**Reg. 28 Compliant?**

Yes

**Inception date**

August 2016

**AUM**

R20.7m

**Market Commentary**

There is no shortage of bad news on the economic front, and both the local and global political environment remains volatile and uncertain. This, coupled with SAA being placed in business rescue, and a sudden escalation of load shedding, has increased the chances of recording a technical recession, and even a negative growth number of 2019. The likelihood of a final credit rating downgrade by Moody's is now a distinct possibility in the 1st quarter of 2020, although this has largely been priced in already. On the positive side, we can expect another cut in interest rates, even as early in January, and there is little inflationary pressure in the system. Counterintuitively, the rand has been a strong performer of late, strengthening by almost 5% against the dollar in the last two months. Foreigners have been big sellers of local equities this year, but the bond market sell-off has been much less severe, resulting in outperformance of bonds over equities. Midcap shares also continued their outperformance over larger stocks, and on the global front there is more balance between developed and emerging markets. Fortune favours the brave – stay the course!

**Portfolio Investment Returns Compared with Market Performance**

(%)	6m	1yr	3yrs (pa)	5yrs (pa)	10yrs (pa)
Cash - ST Fixed Income Index (STeFI)	3.6	7.2	7.2	7.1	6.5
CPI		4.2	4.9	5.1	5.2
<b>etfSA Wealth Protector Fund</b>	<b>3.7</b>	<b>7.5</b>	<b>7.6</b>	<b>7.3</b>	

**Actual Portfolio Holdings**

Asset class	Bank and Call Deposits	Weight (%)
	Nedbank	23.3
	Standard Bank	19.6
	Firststrand Bank	18.5
	ABSA	16.6
SA Interest bearing	Investec	8.7
	Nedgroup CIS	4.4
	Southchester	2.7
	China Construction Bank	1.9
	Other	4.2

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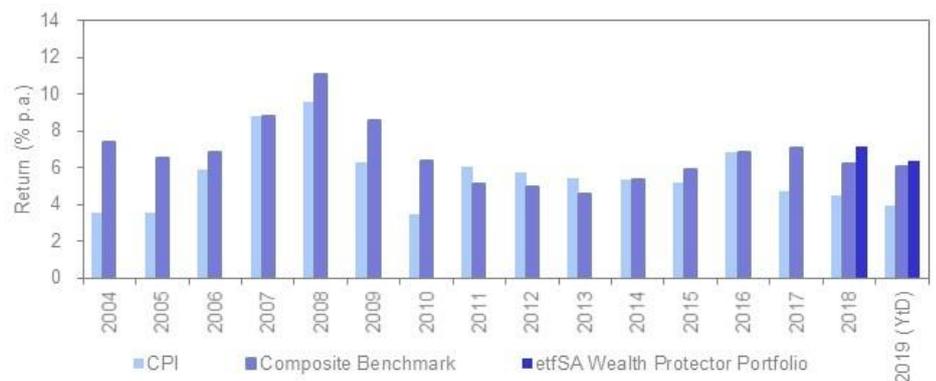
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**Illustrative Performance**



## Portfolio description

The **etfSA Wealth Protector Portfolio** aims to preserve the purchasing power of assets over time by achieving targeted returns of the level of inflation (as measured by the Consumer Price Index, or CPI) over rolling three year periods, while protecting the initial capital and providing immediate liquidity to investors. The portfolio is invested in short term money market instruments of the highest quality.

The portfolio is suitable for an investor with a very short term investment horizon, or a very risk-averse appetite for investments. The portfolio is well-suited for very conservative investors looking for capital preservation with no additional real return objectives. The portfolio does not pay out dividends – any distributions received from underlying investments are automatically reinvested into the portfolio to allow for additional compounded growth.

## Portfolio Construction Strategy

The portfolio construction follows a transparent and rules-based passive portfolio management style. Investment objectives are achieved by adhering to strict risk control measures, including allowable credit exposures according to Reg. 28 criteria. The portfolio invests only in domestic money market assets, i.e. with maximum 12-month duration.

Although the Portfolio does not offer an explicit capital guarantee, the ultra-low risk exposure achieves protection to invested capital. However, negligible portfolio value fluctuations may occur in the short term. Underlying investments are held in money market fund investments to allow for maximum cost benefit to the investor. Distributions received from underlying investments are re-invested into the portfolio immediately when received to maximise total returns and optimise tax efficiency.

## About etfSA.co.za

**etfSA.co.za** is the “Home of Exchange Traded Funds” and is an internet based information and transaction website that provides simple and efficient solutions for investors wishing to discover, understand, manage and profit from the world of Exchange Traded Funds (ETFs).

The **etfSA** range of **Wealth** management portfolios provide investors with investment portfolios that exclusively utilise Exchange Traded Products (ETPs) as the underlying investments.

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## About the Portfolio Manager

### Nerina Visser, CFA

for the **etfSA Portfolio Management Company (Pty) Ltd**  
a division of

### **etfSA Investment Services (Pty) Ltd**

a Category II Financial Service Provider  
(license number 40107)

## Notes:

1. The performance of the **etfSA Wealth Protector Portfolio** represents the performance of the actual portfolio, including all investment cash flows, since inception.
2. All returns quoted are net of fees – that is, after deduction of all expenses as quoted in the Portfolio Management TER. Returns for periods exceeding one year are annualised. All returns are in Rands.
3. The benchmark is the STeFI index as indicated on the first page. The return is an estimate and is displayed as a general guide which is subject to change without notice to investors.
4. All holdings information is based on latest available data. There may be differences in totals due to rounding.

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