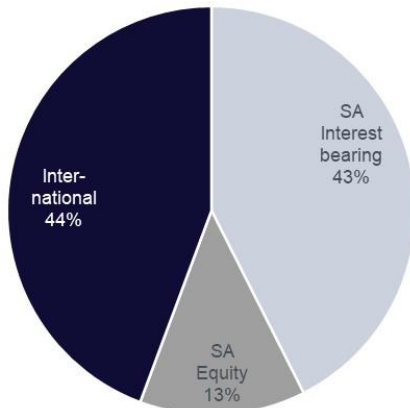




**Benchmark Asset Allocation**



'International' includes physical commodities and currency notes

**Key Information**

**ASISA Sector**

SA Multi-Asset – Low Equity  
(Reg.28 compliant)

**Composite Benchmark**

15% STeFI+15% ALBI+30% Capped SWIX  
+ 15% SAPY + 25% MXWR

**Return Target**

CPI+3% over rolling three years

**Risk Profile**

Low to Medium (LM)

**Minimum investment**

Monthly debit order: R300 p.m.  
Lump sum: R5,000 initial  
Subsequent investments: R1,000

**Portfolio Fees**

TER: 0.30% p.a. incl. VAT  
TIC: 0.30% p.a. incl. VAT

**Portfolio size**

R18.8m

**Launch date**

Sep-2013

**Contact Us**

**etfSA RA Fund – Principal Officer**

Mike Brown  
[mikeb@etfsa.co.za](mailto:mikeb@etfsa.co.za)  
+27 10 446 0377

**Portfolio Manager**

Nerina Visser, CFA  
[nerinav@etfsa.co.za](mailto:nerinav@etfsa.co.za)  
+27 10 446 0376

**Client Liaison**

Suzan Ramotshabi  
[RAfunds@etfsa.co.za](mailto:RAfunds@etfsa.co.za)  
+27 10 446 0374

**Website**

[www.etfsa.co.za](http://www.etfsa.co.za)

**Market Commentary**

After some decent recovery from the March lows, domestic investment assets paused in August, with most headline indices largely unchanged for the month. Bonds marginally outperformed equities in aggregate, but financials were the biggest disappointment, led lower by banks, life assurance and property shares. Offshore investments continued their outperforming trend, despite a strengthening bias for the rand, as US equities, and tech stocks in particular (e.g. Nasdaq), continued to power ahead. China led the way for emerging markets, although they have yet to catch up to their US counterparts. On the domestic front, economic growth remains on the back foot (the next three months will be critical for the SA recovery, as UIF funding reduces and the extra grant payments come to an end next month), and with inflation expectations still largely under control, it does provide scope for the SARB to cut interest rates one more time at one of the remaining MPC meetings in 2020. The inflation outlook is supported by a lack of demand in the economy, and with the US dollar at two-year lows, it supports a stronger relative picture for the rand against the dollar, as opposed to other currencies.

**Portfolio Investment Returns compared to Market Performance**

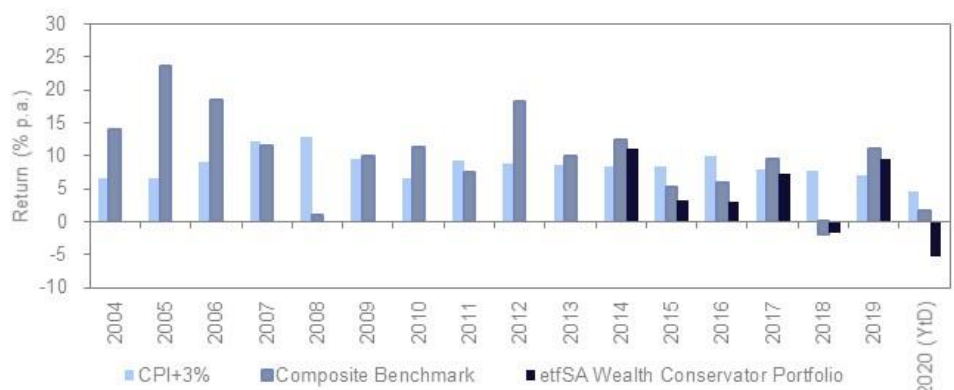
(%)	6m	1yr	3yrs (pa)	5yrs (pa)	10yrs (pa)
Cash - ST Fixed Income Index (STeFI)	2.8	6.3	6.8	7.0	6.4
FTSE/JSE All Bond Index (ALBI)	0.7	4.2	7.7	7.6	7.7
FTSE/JSE Capped SWIX Index (Capped SWIX)	5.1	-2.4	-2.2	1.3	9.2
FTSE/JSE SA Listed Property Index (SAPY)	-32.4	-44.3	-22.7	-12.2	2.4
MSCI World Index in ZAR (MXWR)	24.3	28.1	17.7	13.7	18.0
<b>etfSA Wealth Conservator RA Fund</b>	<b>-1.9</b>	<b>-1.9</b>	<b>1.0</b>	<b>2.9</b>	
CPI+3% Model Portfolio	-3.0	-4.4	0.2	2.6	6.5

Refer to note 1 on back page

**Actual Portfolio Holdings**

Asset class	Reg. 28 Category	Description	Weight (%)		
SA Interest bearing	Cash (max 100%)	Cash	6.0		
	Debt (max 75%)	NewFunds GOVI ETF	36.7		
SA Equity	Equities (max 75%)	CoreShares SA Top50 ETF	4.3		
		Satrix INDI ETF	4.3		
		NewFunds Tgt Vol Moderate Equity ETF	4.3		
		Satrix MSCI World ETF	4.8		
		iShares S&P 500 Utilities Sector ETF	4.0		
		iShares S&P 500 Consumer Staples ETF	4.3		
		Offshore	Foreign exposure (max 30% + 10% in Africa)	Satrix MSCI Emerging Market ETF	3.8
		iShares Preferred & Income Securities ETF	13.2		
		NewWave US Dollar ETN	2.7		
		NewWave Pound Sterling ETN	2.8		
NewWave Euro ETN	3.7				
Commodities	Physical (max 10%)	NewGold ETF	5.0		

**Historical Performance**





**Portfolio description**

The objective of the **etfSA Wealth Conservator Portfolio** is to prioritise income generation from a broad range of sources – interest, dividends and other distributions, both domestic and global – offering a lower risk solution for members.

The fund is ideal for investors who are self-employed or already contributing to an employer’s retirement fund and would like to make additional savings for retirement.

The portfolio is suitable for an investor with a relatively short-term investment horizon – investors who are close to retirement, who wish to preserve the value of their retirement savings and require maximum income from their investment. The portfolio is well-suited for conservative investors with real return objectives, seeking long term wealth creation, who in terms of their liabilities, must earn investment returns more than inflation.

Although the portfolio aims to add an element of protection to invested capital, it does not offer capital or performance guarantees, therefore and portfolio value fluctuations may occur in the short term. Intra-period (between rebalancing) the effective asset class weights can drift around the optimised strategic asset allocation levels, within pre-defined tolerance limits.

**Top 10 Holdings – Weight (%)**

SA Equities (ex REITs) 61.8		Overall portfolio 46.7	
Share	Weight	Security	Weight
Naspers -N	17.4	ABSA FX Notes	9.3
Richemont	14.2	R186 10.50% 211226	7.7
BAT	5.1	NewGold ETF	5.0
Prosus	5.0	R2030 8.00% 310130	4.9
BHP Group	4.8	R2048 8.75% 280248	4.7
Anglo American	4.6	R2023 7.75% 280223	3.3
BidCorp	3.0	R2035 8.875% 280235	3.0
Vodacom	2.9	R2037 8.50% 310137	3.0
MTN	2.6	R2032 8.25% 310332	2.9
Shoprite	2.2	R2044 8.75% 310144	2.8

**About etfSA**

etfSA 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 Retirement Annuity Fund** (certificate of registration 12/8/38021) provides investors with retirement annuity funds that exclusively utilise Exchange Traded Products (ETPs) as the underlying investment.

For more information on etfSA, its transaction platform for ETPs and its Retirement Annuity Funds, visit the website [www.etfsa.co.za](http://www.etfsa.co.za) or contact the call centre on 010 446 0374.

**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 **Model Portfolio** represents the theoretical performance of the optimised strategic asset allocation without the impact of actual investment cash flows. The performance of the **etfSA Wealth Conservator Portfolio** represents the performance of the actual portfolio, including all investment 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 a composite benchmark as per the weights and indices 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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