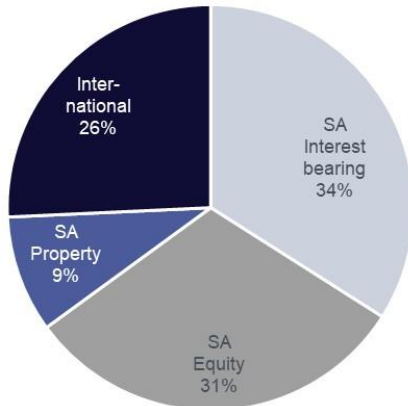




Benchmark Asset Allocation



'International' includes physical commodities

Key Information

ASISA Sector

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

Composite Benchmark

10% STeFI+20% ALBI+33% Capped SWIX
+ 10% SAPY + 27% MXWR

Risk Profile

Medium (M)

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

R8.86m

Launch date

Feb-2019

Contact Us

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Market Commentary

Global markets experienced a sharp sell-off in February, ending the month at its worst levels, as the combined impact of the spread of the Covid-19 virus, a slump in oil prices, and fears of an accelerated slowdown in economic growth, accentuated the disconnect between recent strong market performance, and deteriorating economic fundamentals. On the local front, the national budget was well received by the market, but was quickly overtaken by negative global factors. The risk of credit rating downgrades has increased, but is largely priced in, as could be seen by the relative performance of bonds (+3%) to equities (-9%). Risk-off sentiment was evident in capital flows into the US, with the dollar strengthening, US bond yields falling to just above 1%, and demand for precious metal commodities. The rand has been the worst performing EM currency YTD, depreciating by 10.6% against the USD. Counterintuitively, despite the risk-off sentiment, the MSCI EM index (-5.3%), supported by the MSCI China index (+1%) outperformed the S&P 500 (-8.4%), highlighting the effectiveness of quick action by the People's Bank of China in response to the Coronavirus.

Portfolio Investment Returns compared to Market Performance

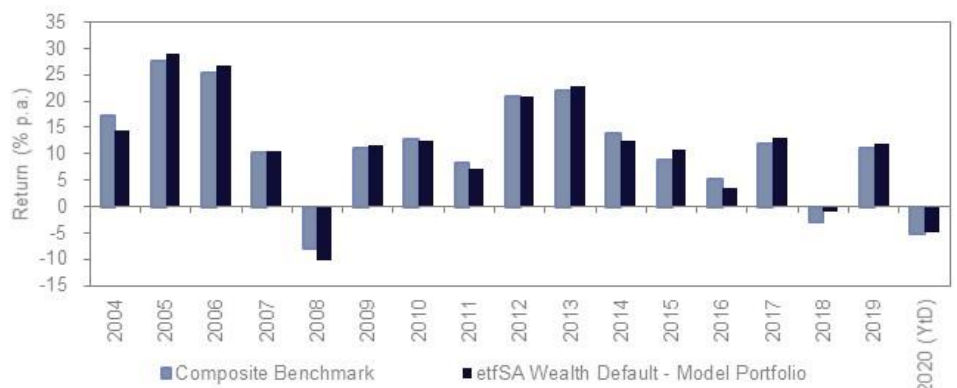
(%)	6m	1yr	3yrs (pa)	5yrs (pa)	10yrs (pa)
Cash - Short Term Fixed Income Index (10%)	3.4	7.1	7.1	7.1	6.5
Bonds - FTSE/JSE All Bond Index (20%)	3.4	8.9	9.1	7.2	8.7
Equities - FTSE/JSE Capped SWIX Index (33%)	-7.1	-9.6	-1.2	-0.3	9.2
Property - FTSE/JSE SA Listed Property Index (10%)	-17.5	-19.1	-10.4	-4.8	8.0
Global - MSCI World Index in ZAR (27%)	3.1	13.9	11.5	10.1	14.4
Composite Benchmark	-2.3	0.9	4.5	4.7	10.5
etfSA Default RA Fund	-2.1	1.5			
etfSA Wealth Default - Model Portfolio	-1.7	1.7	6.0	5.6	10.9

Refer to note 1 on back page

Actual Portfolio Holdings

Asset class	Reg. 28 Category	Description	Weight (%)
SA Interest bearing	Cash (max 100%)	Cash	12.9
	Debt (max 75%)	NewFunds GOVI ETF	21.1
SA Equity	Equities (max 75%)	CoreShares SA Top50 ETF	30.9
SA Property	Immovable Property (max 25%)	1invest SA Property ETF	9.3
Offshore	Foreign exposure (max 30% + 10% in Africa)	Satrix MSCI World ETF	25.7

Historical Performance





Portfolio description

The objective of the **etfSA Wealth Default Portfolio** is to offer a static strategic asset allocation into a limited range of vanilla asset class ETFs, with a low tracking error allowance. This default investment portfolio is offered to comply with Section 36 of the Pension Funds Act, No. 24 of 1956, as amended on 25 August 2017, with specific reference to Regulation 37-40.

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 medium-to-long-term investment horizon. The portfolio makes no claims to generating alpha from any source, but rather offers a low tracking error and passive allocation to strategic asset classes. The portfolio is well-suited for moderate risk-taking investors desiring market-related returns, whatever those may be.

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) 58.4		Overall portfolio 29.1	
Share	Weight	Security	Weight
Naspers -N	12.7	R186 10.50% 211226	4.0
Richemont	9.2	Naspers -N	3.9
BHP Group	9.2	R2048 8.75% 280248	3.1
Anglo American	9.1	Richemont	2.9
Firstrand	3.8	BHP Group	2.8
Standard Bank	3.6	Anglo American	2.8
BAT	3.1	JSE Trustees (cash)	2.5
Mondi plc	2.8	Standard Bank NCDs	2.5
Prosus	2.6	R2030 8.00% 310130	2.4
MTN	2.4	Growthpoint	2.2

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 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 Default 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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