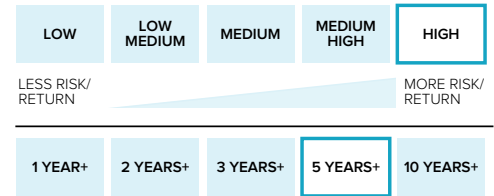


SYGNIA ITRIX MSCI JAPAN INDEX ETF

31 DECEMBER 2019



PORTFOLIO MANAGERS	SYGNIA ASSET MANAGEMENT
INCEPTION	1 APRIL 2008
FUND SIZE	R 728 Million
NAV PRICE	1 342 cents
UNITS IN ISSUE	54 255 611

INVESTMENT OBJECTIVE **TO REPLICATE THE PRICE AND YIELD PERFORMANCE OF THE MSCI JAPAN INDEX**

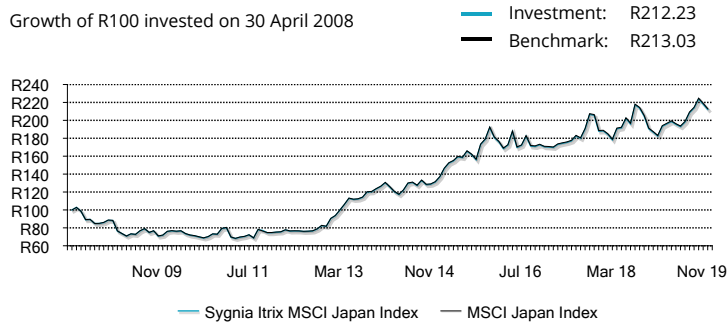
INCOME DISTRIBUTION **PAYMENT: DEC 2018 - 7.26068 CENTS PER UNIT**
PAYMENT: JUN 2019 - 3.07974 CENTS PER UNIT

TRUSTEES **STANDARD BANK TRUSTEES (021 441 4100)**

FUND INFORMATION

Classification	Regional - Equity - General
Asset Allocation	100% Offshore Equity
NAV/Index Ratio	ca. 1/10
Financial Year End	31 December
Index Tracking	Fund tracks the MSCI Japan Index
Dividend Distribution	Semi-annual distribution
NAV Publication	Daily on sygnia.co.za
Portfolio Valuation	Close of relevant market
Foreign exchange source	World Market fix rate 16:00pm EST

CUMULATIVE INVESTMENT PERFORMANCE



Cumulative investment performance is for illustrative purposes only and is calculated using the NAV before any distributable income and management fee.

TOP 10 HOLDINGS

INSTRUMENT	PERCENT
Toyota Motor Corp	4.4%
Sony Corp	2.4%
SoftBank Group Corp	1.9%
Mitsubishi UFJ Financial Group Inc	1.8%
Keyence Corp	1.8%
Takeda Pharmaceutical Co Ltd	1.6%
KDDI Corp	1.4%
Recruit Holdings Co Ltd	1.4%
Sumitomo Mitsui Financial Group Inc	1.3%
Honda Motor Co Ltd	1.3%

HISTORICAL PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2016	-5.8%	-2.7%	-4.3%	2.2%	8.8%	-9.4%	1.3%	6.0%	-6.0%	-0.3%	1.2%	-1.3%	-11.1%
2017	-0.1%	-0.3%	2.0%	0.7%	0.6%	1.0%	3.1%	-1.5%	5.8%	8.6%	-0.5%	-8.6%	10.2%
2018	0.1%	-2.1%	-3.3%	6.9%	0.5%	5.5%	-3.0%	10.8%	-1.7%	-4.2%	-6.9%	-2.1%	-0.7%
2019	-2.3%	6.0%	1.4%	1.4%	-1.6%	-1.3%	2.6%	5.3%	2.5%	4.7%	-2.6%	-2.7%	13.7%

Since inception performance figures are available on request.

RISK STATISTICS

	FUND	^BM
% Negative Months	45.0%	45.0%
Average Negative Month	-3.0%	-3.0%
Largest Drawdown	-16.0%	-16.0%
Standard Deviation	15.6%	15.6%
Downside Deviation	8.5%	8.5%
Highest Annual Return: Jan 2015 - Dec 2015	46.4%	46.4%
Lowest Annual Return: Jan 2016 - Dec 2016	-11.1%	-11.2%
Annualised Tracking Error (Active Return)	-0.01%	-
Annualised Tracking Error (Std Dev of Active Return)	0.02%	-

The risk statistics reflected above are calculated on a 60-month or since-inception basis, depending on which period is shorter. ^Benchmark is the Index.

LISTING INFORMATION

Exchange	JSE Limited
Exchange Code	SYGJP
Trading Currency	ZAR
Portfolio Currency	JPY
ISIN	ZAE000249538
RIC	SYGJPJ
Bloomberg Ticker	SYGJP SJ EQUITY
Trading Hours	9:00 am - 16:50 pm
Transaction cut-off	JSE trading hours

ASSET ALLOCATION

ASSET	PERCENT	ALLOCATION
International Equity	99.0%	<div style="width: 99.0%;"></div>
Cash	1.0%	<div style="width: 1.0%;"></div>

SECTOR ALLOCATION

SECTOR	PERCENT	ALLOCATION
Industrials	20.6%	<div style="width: 20.6%;"></div>
Consumer Discretionary	18.1%	<div style="width: 18.1%;"></div>
Information Technology	11.9%	<div style="width: 11.9%;"></div>
Financials	10.6%	<div style="width: 10.6%;"></div>
Health Care	9.9%	<div style="width: 9.9%;"></div>
Telecommunication Services	8.5%	<div style="width: 8.5%;"></div>
Consumer Staples	7.7%	<div style="width: 7.7%;"></div>
Materials	5.1%	<div style="width: 5.1%;"></div>
Other	7.5%	<div style="width: 7.5%;"></div>

PORTFOLIO PERFORMANCE ANALYSIS

PERIOD	SYGNIA ITRIX MSCI JAPAN	MSCI JAPAN INDEX (ZAR)**	JPY/ZAR*	MSCI JAPAN INDEX (JPY)**
1 Year	13.7%	13.7%	-2.0%	16.0%
3 Years	7.6%	7.6%	3.1%	4.3%
5 Years	10.1%	10.1%	6.3%	3.6%
10 Years	11.5%	11.5%	5.0%	6.2%
Since Inception	6.7%	6.7%	5.0%	1.6%

Performance of the fund is calculated by Sygnia Asset Management as at reporting date.
*A positive performance in currency reflects a depreciation of ZAR against base currency and vice versa.
**Price return.

PLATFORM FEES

BROKER/OTHER PLATFORM (EXCL VAT)	SYGNIA ALCHEMY PLATFORM (EXCL VAT)
First R 10 Million : 0.75%pa	First R 2 Million : 0.55%pa
R 10 Million-R 100 Million : 0.60%pa	R 2 Million-R 100 Million : 0.50%pa
Over R 100 Million : 0.40%pa	Over R 100 Million : 0.30%pa

Excess management fees for investors over R10m are included in the below TER, and distributed back to the investor at each distribution date.

FEES

DESCRIPTION	PERCENT
Total Expense Ratio (TER)	0.86%
Transaction Costs (TC):	0.00%
Total Investment Charge (TIC):	0.86%

FIND OUT MORE ABOUT OUR FUNDS:
WWW.SYGNIA.CO.ZA



IMPORTANT INFORMATION TO CONSIDER BEFORE INVESTING

INVESTMENT APPROACH

The Sygnia Itrix MSCI Japan Index ETF is a high risk, passively managed index tracking fund, registered as a Collective Investments Scheme, and is listed on the Johannesburg Stock Exchange as an Exchange Traded Fund. The objective is to replicate the price and yield performance of the MSCI Japan Index as closely as possible by physically holding a portfolio of securities equivalent to the basket of securities comprising the Index and in the same weightings of the Index. Index Performance data can be sourced from Bloomberg, Reuters, other data providers and at www.sygnia.co.za.

BALANCING RISK AND REWARD

The MSCI Japan Index is a free float-adjusted market capitalisation index that is designed to measure developed market equity performance in Japan, representing companies with a total market capitalisation of approximately US\$3 trillion. The MSCI Japan Index is recognised as a barometer of the Japanese economy and as a holder of the Sygnia Itrix MSCI Japan Index ETF; an investor will essentially track Japan's equity markets. The recommended investment term for investors in the Sygnia Itrix MSCI Japan Index ETF is a minimum of five years.

Collective Investment Schemes (CIS) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indicator of future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies. The fund may also be exposed to liquidity risk. This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value.

Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

Performance is calculated based on the NAV to NAV calculation of the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date and dividend withholding tax.

FEES

A schedule of fees and charges is available on request from Sygnia Itrix. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges and trustee fees. Sygnia Itrix ETFs are Exchange Traded Funds that trade on stock exchanges and may therefore incur additional costs associated with listed securities. Sygnia Itrix does not provide advice and therefore does not charge advice fees.

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

The total expense ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past year. Transaction costs are a necessary cost in administering the Fund and impact Fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Since Fund returns are quoted after the deduction of these expenses, the TER and Transaction Costs should not be deducted again from the published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

FOREIGN SECURITIES

The fund invests in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, reporting or illiquidity risk factors that may be different to similar investments in South African markets. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down.

CUMULATIVE INVESTMENT PERFORMANCE

Cumulative investment performance is for illustrative purposes only. The investment performance is calculated by taking all ongoing fees into account for the amount shown, with income reinvested on the reinvestment date.

EXCHANGE TRADED FUNDS VS UNIT TRUSTS

Whilst both unit trusts and ETFs are regulated and registered under the Collective Investment Scheme Control Act, ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours.

HOW ARE NAV PRICES CALCULATED?

Net Asset Value (NAV) prices 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 permissible deductions from the portfolio divided by the number of units in issue. The price at which ETFs trade on an Exchange may differ from the NAV price published at the close of the trading day, because of intraday price movements in the value of the constituent basket of securities.

DISCLAIMER

Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). Sygnia Asset Management (Pty) Ltd (FSP No 873), an authorised financial services provider, is the appointed investment manager of the fund. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this minimum disclosure document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

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You should be aware that certain transactions give rise to substantial risk. Product values may be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. The complete terms and conditions of your ETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental. These documents may be obtained from www.sygnia.co.za or on request from Sygnia.

Sygnia Limited and any of its affiliates may make markets or hold units in the fund or hold positions in the investments in which the fund invests. As set out in the offering circular, the sale of securities is subject to restrictions in some jurisdictions. In particular, any direct or indirect distribution of this document into the United States, Canada or Japan, or to U.S. persons or U.S. residents, is prohibited.

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SYGNIA ITRIX MSCI JAPAN INDEX ETF FUND COMMENTARY

REGIONAL - EQUITY - GENERAL

4TH QUARTER 2019

MARKET PERFORMANCE

December was a great month for equities, driven by bullish fundamentals and sentiment. The S&P500 ended the year up 31.5% in USD and the All Share closed up 12%. The JPMorgan Global Manufacturing PMI jumped into expansion for the first time in six months, driven by a supportive monetary policy. Looking into 2020, a recession looks unlikely. The US and China finally agreed to a phase-one deal and the UK's Conservative Party achieved a majority victory, reducing the likelihood of a no-deal Brexit. China and India are expected to provide 55% of global GDP growth in 2020. Fiscal and monetary stimulus in both countries remains high and should support this growth. However, escalating tensions between the United States and Iran and a looming impeachment trial is keeping markets off-kilter.

The economy contracted by a shocking 0.6% in the third quarter, and Eskom reached a new low, implementing stage 6 load shedding and operating at a meagre 60% of capacity due to heavy rains, unplanned outages and possible sabotage, sending the economy and markets into a panic. Steps in the right direction are being taken, however, as Public Enterprises minister Pravin Gordhan announced that Eskom power stations are again drawing their fuel from nearby coal mines offering preferential prices – during the years of state capture, politically connected mines were preferred. The ANC also announced that they are in talks to introduce equity partners at SOEs, provided that government remains the majority shareholder. The government placed SAA under business rescue to allow a “radical restructuring” under which it will receive R4 billion. Inflation came in at a depressed 3.6%, its lowest rate since December 2010, still with no further rate cuts, driving SA real yields to amongst the highest in the world and constraining growth.

The SACCI business confidence index fell to 89.1 points in August, the lowest level since April 1985. The Chamber noted that the “current state of fiscal deficiencies, social injustices and unemployment necessitates an urgent adjustment”, and Moody's noted that Eskom's financial position remains a significant threat to economic growth and government debt levels. However, the agency acknowledged that progress would be slow, offering South Africa a temporary reprieve from a sovereign downgrade for the next 12 to 18 months.

The 2010s saw the longest expansion in US history, a decade without a recession. The S&P500 closed the decade near an all-time high despite US House Democrats delivering two articles of impeachment against President

Trump, for abuse of power and obstruction of Congress. The process will now shift to a Senate trial, where he is expected to be acquitted by the Republican majority there. The Federal Reserve maintained the Federal funds target rate range at 1.50–1.75%, but the “dot plot” witnessed a downward revision to 2020 projections, with participants now expecting interest rates to remain steady. This, together with continued quantitative easing and slowing growth, has kept the US dollar weak.

Chancellor Angela Merkel's government suffered a defeat as her coalition partner, the Social Democrats, replaced vice chancellor Olaf Scholz with Norbert Walter-Borjans. Scholz expects the SPD to put forward a set of demands that includes abandoning Merkel's balanced-budget stance to stimulate growth. At her inaugural ECB meeting as chair, Christine Lagarde reiterated that monetary policy would remain highly accommodative but noted that fiscal policy is the next tool that can be used. Sweden's Riksbank became the first central bank to exit negative interest rates, the rates having been negative since 2014.

The Conservatives won their largest majority since 1987 under Margaret Thatcher, which should allow for easy passage of the Brexit withdrawal agreement, with the UK set to leave the EU by the end of January. Focus will then move to EU trade negotiations, which currently have a 31 December 2020 deadline. This deadline is unlikely to be met, however, as the EU/Canada trade negotiations took eight years to complete. His 80-seat majority should give Prime Minister Boris Johnson ample room to seek transition-period extension.

Japan announced a stimulus package amounting to 26 tn yen (\$239 bn), including 13.2 tn yen in fiscal measures to boost real growth, of which 9.4 tn yen is new spending.

The CBRT cut rates by 200 bps at its 12 December meeting. The Bank of Russia cut its key rate by 25 basis points as inflation slowed. India's budget deficit is expected to be at 7% in 2020 to boost growth.

China PMI data surprised on the upside. The official CFLP manufacturing PMI rose from 49.3 to 50.2 in November, taking the economy into expansionary territory for the first time in seven months. In December, the index continued to expand steadily, at 50.2.

The CNH fell below the 7 mark as President Donald Trump signed off on a phase-one trade deal with China, averting the 15 December introduction of US tariffs on \$156 billion of consumer goods.

RISK PROFILE



TIME HORIZON



The terms also cut existing tariffs by 50% on \$360 bn worth of Chinese imports in exchange for a boost in purchases of US farm products and enhanced protection of intellectual property rights. The deal is expected to be signed on 15 January. China started 2020 with a 50-basis-point reserve-rate requirement cut, which further buoyed markets. China's budget deficit is expected to stay at a high of 6.5% in 2020.

FUND PERFORMANCE

The Sygnia Itrix MSCI Japan Index ETF delivered -0.7% for the quarter, in line with its benchmark, the MSCI Japan Index. The Fund benefited from exposure to Sony, Toyota Motor Corp and Recruit Holdings, while its exposure to Shiseido, Oriental Land Co and Subaru detracted from performance.

There were several changes to the tracked index's constituents over the period, including the addition of ORIX JREIT, Square Enix Holdings and Japan Post Insurance and the removal of Nippon Electric Glass, Kobe Steel and Kaneka.

The Fund remains true to its investment objective of delivering returns that mirror those of the MSCI Japan Index.

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