SYGNIA ITRIX MSCI WORLD INDEX ETF

31 MARCH 2020

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	HIGH

LESS RISK/ RETURN — MORE RISK/ RETURN

1 YEAR+	2 YEARS+	3 YEARS+	5 YEARS+	10 YEARS+

PORTFOLIO MANAGERS	**SYGNIA ASSET MANAGEMENT**
INCEPTION	**1 APRIL 2008**
FUND SIZE	**R 8.198 Billion**
NAV PRICE	**3 331 cents**
UNITS IN ISSUE	**246 137 451**
INVESTMENT OBJECTIVE	**TO REPLICATE THE PRICE AND YIELD PERFORMANCE OF THE MSCI WORLD INDEX**
INCOME DISTRIBUTION	**PAYMENT: DEC 2019 - 19.23118 CENTS PER UNIT** **PAYMENT: JUN 2019 - 22.73907 CENTS PER UNIT**
TRUSTEES	**STANDARD BANK TRUSTEES (021 441 4100)**

FUND INFORMATION

Classification	Global - Equity - General
Asset Allocation	100% Offshore Equity
NAV/Index Ratio	ca. 1/1000
Financial Year End	31 December
Index Tracking	Fund tracks the MSCI World 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

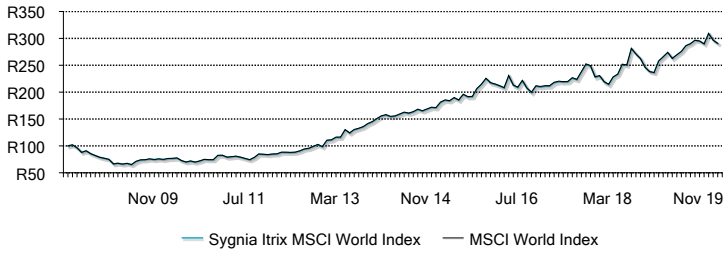
LISTING INFORMATION

Exchange	JSE Limited
Exchange Code	SYGWD
Trading Currency	ZAR
Portfolio Currency	USD
ISIN	ZAE000249553
RIC	SYGWDJ.J
Bloomberg Ticker	SYGWD SJ EQUITY
Trading Hours	9:00 am - 16:50 pm
Transaction cut-off	JSE trading hours

CUMULATIVE INVESTMENT PERFORMANCE

Growth of R100 invested on 30 April 2008

Investment: R290.72
Benchmark: R290.60



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

GEOGRAPHIC ALLOCATION

REGION	PERCENT	ALLOCATION
United States	64.2%	
Japan	8.6%	
United Kingdom	4.9%	
France	3.5%	
Other	18.9%	

SECTOR ALLOCATION

SECTOR	PERCENT	ALLOCATION
Information Technology	22.5%	
Health Care	14.3%	
Financials	13.4%	
Consumer Discretionary	11.8%	
Industrials	10.2%	
Other	27.7%	

TOP 10 HOLDINGS

INSTRUMENT	PERCENT
Microsoft Corp	3.2%
Apple Inc	3.2%
Amazon.com Inc	2.3%
Facebook Inc	1.1%
Alphabet Inc C	1.0%
Alphabet Inc A	1.0%
Johnson & Johnson	1.0%
Nestle SA	0.9%
JPMorgan Chase & Co	0.8%
Visa Inc	0.8%

PORTFOLIO PERFORMANCE ANALYSIS

PERIOD	SYGNIA ITRIX MSCI WORLD	MSCI WORLD INDEX (ZAR)**	USD/ZAR*	MSCI WORLD INDEX (USD)**
1 Year	9.4%	9.4%	24.4%	-12.1%
3 Years	10.2%	10.0%	10.0%	0.0%
5 Years	9.5%	9.4%	8.0%	1.3%
10 Years	14.3%	14.2%	9.4%	4.4%
Since Inception	9.4%	9.1%	6.8%	2.1%

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.

HISTORICAL PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2017	0.7%	0.0%	3.0%	0.9%	-0.3%	0.2%	3.2%	-1.3%	6.4%	6.1%	-1.4%	-8.2%	8.7%
2018	1.0%	-4.9%	-2.3%	6.6%	2.2%	8.0%	-0.5%	12.3%	-3.6%	-3.1%	-6.1%	-3.3%	4.6%
2019	-0.8%	9.1%	3.1%	3.0%	-4.0%	2.5%	2.3%	3.9%	1.3%	2.2%	-0.4%	-1.8%	21.7%
2020	6.6%	-4.0%	-2.0%										0.3%

Since inception performance figures are available on request.

RISK STATISTICS

	FUND	^BM
% Negative Months	50.0%	48.3%
Average Negative Month	-2.7%	-2.8%
Largest Drawdown	-15.9%	-16.0%
Standard Deviation	15.5%	15.5%
Downside Deviation	7.5%	7.4%
Highest Annual Return: Feb 2019 - Jan 2020	30.8%	30.6%
Lowest Annual Return: Jan 2016 - Dec 2016	-6.8%	-6.7%
Annualised Tracking Error (Active Return)	0.11%	-
Annualised Tracking Error (Std Dev of Active Return)	0.18%	-

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.

ANNUAL MANAGEMENT FEE

BROKER/OTHER PLATFORM (EXCL VAT)	SYGNIA ALCHEMY PLATFORM (EXCL VAT)
First R 100 Million : 0.60%pa	First 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 R100m are included in the below TER, and distributed back to the investor at each distribution date.

FEES

DESCRIPTION	PERCENT
Total Expense Ratio (TER)	0.69%
Transaction Costs (TC):	0.00%
Total Investment Charge (TIC):	0.69%

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

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SYGNIA ITRIX MSCI WORLD INDEX ETF

FUND **COMMENTARY**

GLOBAL - EQUITY - GENERAL

1ST QUARTER 2020

RISK PROFILE

LOW	LOW MEDIUM	MEDIUM	MEDIUM HIGH	HIGH

LESS RISK/ RETURN — MORE RISK/ RETURN

TIME HORIZON

0-2 YEARS	2 YEARS+	3 YEARS+	5 YEARS+	7 YEARS+

MARKET PERFORMANCE

The World Health Organisation (WHO) characterised the Covid-19 (coronavirus) outbreak as a pandemic on 11 March. Since then, numerous countries have declared a state of emergency and gone into full lockdown, including the US, UK, Italy, Hungary, the Philippines, Japan and, of course, South Africa. The devastation reached Wall Street which recorded its worst session since 1987 and fell 34% from its peak, while oil prices are down to levels last seen in 2002. The effect also touched the South African All Share Index which found a short-term bottom, 36% from its January peak.

World governments have compared Covid-19 to a war, noting significant human and economic global challenges, and the impact on global GDP is somewhere between a natural disaster and a deep recession. 2020 growth will follow the pattern of a natural disaster, with the deepest GDP fall since World War II, but is expected to rebound sharply by the end of the year. However, lingering uncertainty, job losses and business closures will weigh on demand until at least the end of 2021. There have been seven global recessions over the last century of this magnitude: two driven by war (World Wars I and II), two driven by balance sheet recessions (the 1930s Great Depression and the 2008 Great Financial Crisis), two driven by oil shocks (1973 and 1981) and now the first to be driven by a global pandemic.

Across the globe, countries are waiting for infection rates to peak and hoping that a second round of infections will not start as countries come out of lockdown. The main focus right now is the US, which has more cases than anywhere else. US unemployment claims surged to 10m over two weeks. More than ten times its previous peak in 1982. After two weeks of measured optimism, Trump shifted dramatically and has extended the policy of "social distancing" until at least 30 April. Risky assets, like equities, will turn a corner when evidence emerges that the coronavirus is being brought under control.

An abundance of central bank actions have propped up liquidity, reducing borrowing costs and, most importantly, keeping the dollar from strengthening too far (an overly strong dollar would cause monetary systems to freeze).

The Fed has cut policy rates by 150 bps and restarted "QE infinity" with $700bn of asset purchases, including credit bonds. The ECB has allowed banks to run lower capital ratios, raised their QE programme by €120bn and announced a new €830bn programme of bond purchases. The Bank of England cut rates by 65 bps, to a record low of 0.1%, and increased QE. The total asset purchase target was raised to £645bn. PBOC has lowered the required reserve ratio by 50, to 100 basis points. Many other countries have cut rates from between 25 to 100 bps and some have also implemented QE.

The BoJ has doubled its buying of ETFs and J-REITs and announced additional commercial paper and corporate debt purchases of JPY 2tn. SA's Monetary Policy Committee (MPC) unanimously cut the repo rate by 100 bps, to 5.25%.

QE has reached new highs, with larger increases than after the GFC of 2008. This has capped the recent dollar rally, which neared 50-year highs, kept liquidity in financial markets and avoided excessively high borrowing costs around the world – a necessary (but insufficient) step for market recovery.

Over $5tn in fiscal support has been pledged by more than 21 countries to assist consumers and help businesses deal with the impact of global lockdowns. Helicopter money, first brought into play by Hong Kong at the onset of the crisis, is being utilised by the US and other countries.

The US will inject $2tn into the economy – nearly 5% of GDP – including cash disbursements for consumers and loans for small businesses.

The levels of support are significant, although China is holding back relative to the 2008 crisis. China is also the first country to come out of lockdown, however, with transport levels back to almost 100%. Chinese data generated some hope as official PMIs rebounded in March from record lows and the index rose into expansionary territory, to 52.0 from 35.7. Fiscal support is in place and is the second necessary step for recovery, but is also insufficient on its own.

Both monetary and fiscal policy is in place, and no one can argue that the equity market is not cheap, but it could get cheaper. It will be impossible to call the bottom until there is confidence that infection rates have peaked. On the positive side: markets are fast adapting, and it is vital to stay nimble given the current conditions; Zoom's market cap is now bigger than the big four US airlines combined; the price of uranium has jumped as coal mines close, giving support to a commodity that has been in a bear market for over a decade; and oil tankers are enjoying record profits as cheap oil is in need of storage for the foreseeable future. We remain focused on harnessing the volatility to protect capital for the funds. Locally, bonds are looking closer to their bottoms than SA equities, and the recent Moody's cut is likely to be a positive catalyst that many foreign investors have been waiting for.

FUND PERFORMANCE

The Sygnia Itrix MSCI World ETF delivered 0.3% for the quarter in rand terms, in line with its benchmark, the MSCI World Index. The Fund benefitted from exposure to Amazon.com, Netflix and NVIDIA, while its exposure to Apple, JPMorgan Chase and Exxon Mobil detracted from performance.

There were several changes to the tracked index's constituents over the period, including the addition of Trane Technologies and the removal of WellCare Health Plans, Liberty Property Trust and Power Financial.

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

SYGNIA ITRIX (RF) (PTY) LTD
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IMPORTANT INFORMATION TO CONSIDER BEFORE INVESTING

INVESTMENT APPROACH

The Sygnia Itrix MSCI World 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 World 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 World Index is a free float-adjusted market capitalisation index that is designed to measure global developed market equity performance, representing companies with a total market capitalisation of approximately US$30 trillion. For changes to the index constituents please refer to the published SENS. The MSCI World Index is recognised as a barometer of the world's developed economies and as the holder of the Sygnia Itrix MSCI World Index ETF, an investor will essentially track the developed world's equity markets. The recommended investment term for investors in the Sygnia Itrix MSCI World 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.

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Sygnia