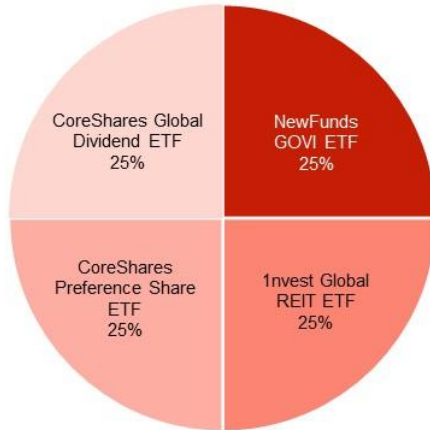


**ETF Allocation****Key Information****Regulation**

Fully compliant with Section 12T of the Income Tax Act

Investment Objective

Balance between income and capital growth

Risk Profile

Medium

Investment LimitsMinimum R1 000 – debit order or lump sum
Maximum R33 000 p.a. (current legislation)**Total Fees***Portfolio Management Total Expense Ratio (TER)*

0.50% incl. VAT p.a.

Administration and Custody

0.50% incl. VAT p.a.

All transaction costs, incl. the reinvestment of distributions, are included in these fees**Contact Us****Computershare – Administrator**

Computershare (Pty) Ltd

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Websitewww.etfSA.co.za**Market Commentary**

Most markets ran out of momentum in September, resulting in benign performance for many asset classes in 3Q20, after the much more volatile performances recorded in the prior two quarters. SA Bonds (+1.5%) outperformed cash (+1.2%) and SA equities (Capped SWIX +0.7%) in the quarter, but despite the rand strengthening by almost 3.5% against the US dollar over the quarter, global investments and commodities outperformed most domestic investments. Resources (mining companies) were the relative outperformer amongst local investments, but Listed Property slumped by a further 14% over the quarter, from an already low base. Global assets and commodities all came under pressure during September, with Palladium (+1.6%) and Japanese equities (-0.8%) the relative outperformers. Emerging markets and China in particular have outperformed developed markets (and the US) in recent short term, but technology remained the dominant outperforming trend over the quarter. More recently (during September), SA Inc shares – including Financials, domestic value stocks and Mid Caps – showed some life, but only time will tell if this is a sustainable new trend.

Comparative Performance Statistics

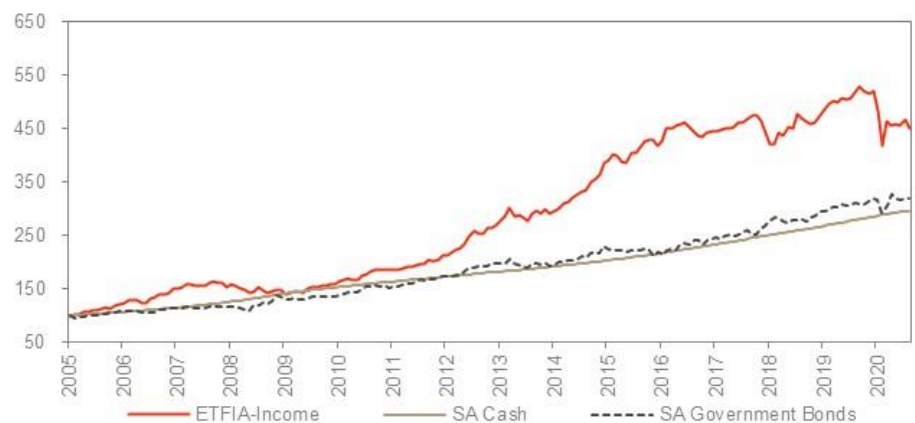
(%)	6m	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Comparative Benchmark Performance				
Cash - Short Term Fixed Income Index	2.5	6.3	6.7	7.0
Bonds - SA Government Bond Index	9.2	2.8	7.3	7.6
Portfolio ETF Performance				
NewFunds GOVI ETF (25%)	15.8	3.1	6.6	7.1
1Invest Global REIT ETF (25%)	3.1	-13.7	8.4*	7.0*
CoreShares PrefTrax ETF (25%)	13.2	-21.3	0.1	3.6
CoreShares Global Dividend Aristocrats ETF (25%)	13.8	10.8	4.2*	7.2*
ETFIA Income Account - Model Portfolio**	8.1	-13.0	-1.3	1.7

* Prior to inception, the theoretical historic performance is based on the performance of the respective reference indices of the ETFs selected for this ETFIA Balanced Account.

** Refer to Note 1 on back page. Please note historic performance may not be replicated in future.

Current Portfolio Holdings

Asset class	Description	Weight (%)
SA Interest bearing	NewFunds GOVI ETF	27.0
Global Property	1Invest Global REIT ETF	27.0
SA Preference Shares	CoreShares Preference Share ETF	21.1
Global Dividends	CoreShares Global Dividend Aristocrats ETF	24.9

Historical Performance

Note: The theoretical historic performance of the Income Portfolio is based on the selected ETF allocations and reference index performance of the ETFs chosen for this ETFIA



Tax free accounts offered under Section 12T of the Income Tax Act

In February 2015, the SA Government announced a new tax dispensation whereby SA individuals of all ages can invest up to R33 000 per annum, and a lifetime limit of R500 000, in a special tax incentive account. There is no form of tax payable on these accounts – no capital gains tax, no dividend withholding tax, no interest tax and no securities transfer tax. This allowance has been enabled through Section 12T of the Income Tax Act, 1962 and the investors are advised to familiarise themselves with the regulations applying thereto.

Features of the ETF Tax Free Investment Account (ETFIA)

- ❖ Tax-free accounts using only low cost, transparent and liquid ETFs as components.
- ❖ Low Costs – 1% per annum includes VAT, total administration, portfolio management and advisory fees. All transaction costs, incl. the reinvestment of distributions, are also included in this fee.
- ❖ Modular design allows for contributions from R1000 at any time, up to a maximum of R33 000 per tax year.
- ❖ A selection of four portfolios offered, giving differentiated exposures and risk profiles. You can also invest in individual ETFs for the full R33 000 amount.
- ❖ Tax-free accounts fully compliant with Section 12T of the Income Tax Act.
- ❖ Administrator – Computershare (Pty) Ltd.
- ❖ Portfolio Managers and Financial Advisers – etfSA Portfolio Management Company (Pty) Ltd.

Who should invest in the Income Portfolio?

An ETFIA is ideal for investors who want a low cost, transparent investment-linked tax-free account. The Income Portfolio is suitable for an investor with an investment horizon of at least 5 years – investors who wish to receive a combination of capital gains and yield in their tax-free investments. The portfolio is well-suited for investors with an average risk tolerance. It is targeted at medium risk investors who wish to receive the income earned in the interest earning and high dividend ETFs that make up this portfolio, on a tax-free basis. Any capital gains realised in this account will also be tax-free.

The portfolio does not pay out interest or dividends – any distributions received from underlying investments are automatically reinvested into the portfolio to allow for additional compounded growth on a tax-free basis.

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 **ETF Tax Free Investment Account** provides investors with a managed portfolio of selected Exchange Traded Funds (ETFs) as the underlying investment.

For more information on etfSA, its transaction platform for ETPs and its related products and services:

visit the website www.etfsa.co.za
or contact us on (010) 446 0371

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 selected ETF allocation without the impact of actual investment cash flows or periodic rebalancing. The performance achieved by an individual investor will depend on the timing and size of specific cash flows.
2. Returns as quoted are net of Portfolio Management and Advisory fees, and Administration and Custody fees – that is, after deduction of all expenses as quoted in the Portfolio Management Total Expense Ratio (TER), transaction costs and administration charges.
3. Returns for periods exceeding one year are annualised. All returns are in Rands.
4. All holdings information is based on latest available data. There may be differences in totals due to rounding.

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