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RAND MERCHANT BANK OIL ETN TO BE CARRIED ON etfSA INVESTOR SCHEME™ PLATFORM

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The product range available from etfSA.co.za has been boosted by the addition of the RMB Oil ETN to the other 31 ETFs and ETNs already available on the platform.

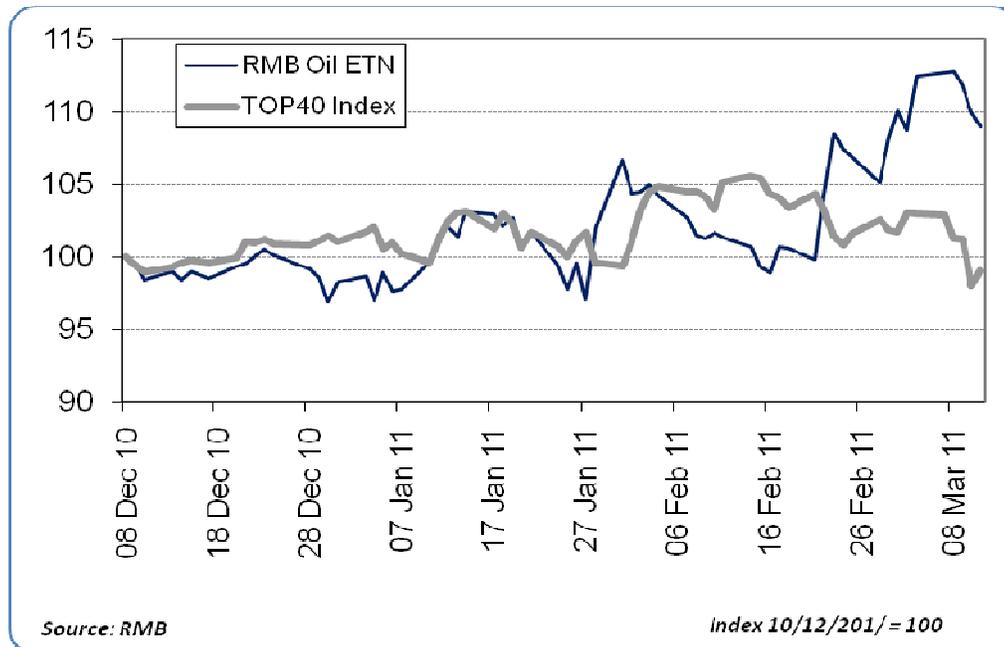
The RMB Oil Exchange Traded Notes (ETNs) are debt securities issued by FirstRand Bank Limited. They trade like any other share on the JSE and offer investors exposure to the price of crude oil traded on international markets. The JSE code is OILRMB.

The RMB ETN tracks an index developed by RMB, which references the WTI crude oil futures contracts, traded on the NYMEX. The RMB Oil Index measures the performance of an investment in oil futures. The performance of the oil ETN shares includes:

- Changes in the price of the oil futures contract.
- The "roll yield" (positive or negative) that comes from rolling over futures contracts from one month to another.
- The US Treasury Bill Rate of interest that is earned on the margin paid or received for the futures contract and from any excess funds.
- The change in the value of the US Dollar/Rand exchange rate. The index is translated into SA rands daily using the 16h00 (4pm) USD/ZAR rate.
- An investor fee of 75 basis points (annualised) is deducted by RMB.
- The RMB Oil Index value is published daily on the RMB website.

An ETN closely tracks the return of a benchmark asset or strategy. ETNs are similar to Exchange Traded Funds (ETFs) except that the underlying pool of assets is owned by FirstRand, in the case of RMB ETNs, and not a segregated trust fund, as in the case of ETFs. An investor is therefore buying a commitment from FirstRand that it will pay out the cash value of the ETN on maturity.

The RMB Oil ETNs originally listed on the JSE on 8th December 2010 at R608 per share, and are now trading at R663 per security. As can be seen from the graph, the oil ETN has comfortably outperformed the FTSE/JSE Top 40 index over the period.



Mike Brown, Managing Director of etfSA says that the "RMB Oil ETN is an exciting addition to the range of exchange traded products available to the retail investor. It is a security listed on the JSE that trades as a spot instrument, like any other share, but offers the investor access to the oil futures markets, without the investor having to maintain complex futures and margin requirements. RMB will act as the market maker to provide a cash price for the Oil ETN at all times allowing the oil ETNs to trade freely on the JSE. The Oil ETNs are classified as inward investments and therefore do not affect the annual foreign exchange allowance available to retail investors."

Brown adds that "the Standard Bank Commodity-Linker ETNs, which track the physical gold, silver, platinum and palladium metal market, were added to the etfSA platform last month, and have proved popular with investors. Now with oil added to the consumer's choice, direct investment into commodities is a reality for local investors."

The etfSA Investors Scheme™ allows investments from as little as R1000 for lump sums and R300 per debit order. Given the price of the RMB Oil ETN at around R700 per security, investors will need to ensure that their investment is sufficiently large to cover the purchase of at least one Oil ETN security, as JSE rules preclude the sub-division of listed shares.

For more information or detail please contact the undersigned.

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