

Managed Rand ETF Portfolios

- **Specifically constructed balanced South African portfolios of ETFs, covering all asset classes and investment types.**
- **Utilising only JSE listed Exchange Traded Products to construct multi-asset portfolios.**
- **Harnessing the specific skills and experience of Nerina Visser and Mike Brown, the most highly regarded ETF specialists in South Africa, with 35 years of managing passive investments to meet your bespoke ETF investment requirements.**
- **For investment portfolios of R1 million or more.**



The Home of Exchange Traded Funds®

Tailoring Bespoke Portfolios for Your Individual Requirements

- Using a strategic asset allocation method to allocate investments to equities (both global and local), bonds, listed property, commodities and smart beta ETPs to meet long-term investment objectives.
- Bringing tactical asset allocation into play where market conditions change, or new ETFs become available.
- Making a deep analysis of the structure and constituents of each ETF to ensure that it meets the quality and risk requirements for portfolios and that concentration risk and factor dependency is avoided.
- We utilize a research orientated approach to passive investments and their integration into overall investment strategies and solutions.

Tailoring Bespoke Portfolios for Your Individual Requirements *(continued)*

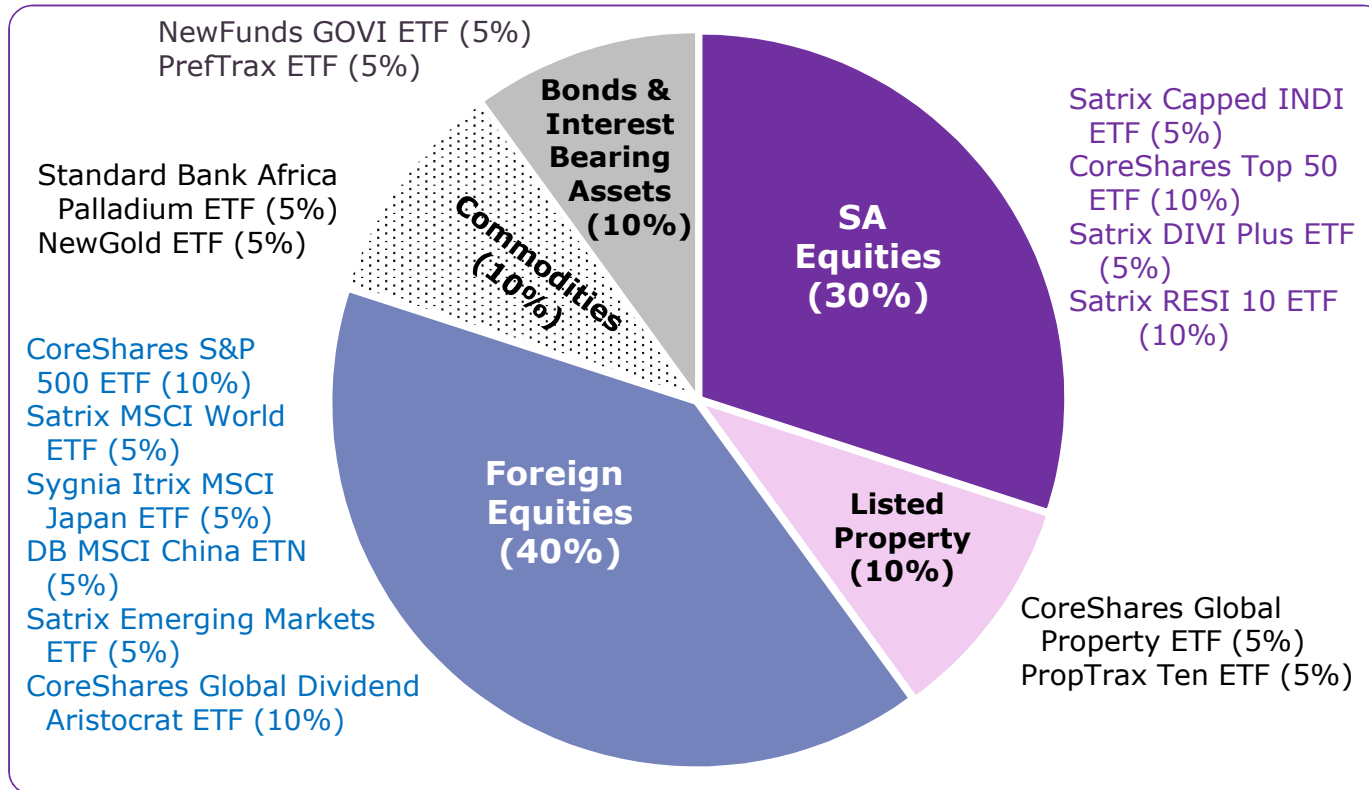
- Your particular needs for:
 - Capital growth
 - Regular income (which can be paid monthly)
 - Asset diversification
 - Lowering of costs
 - Managing riskare fully taken into account in designing a portfolio for you.
- We review each portfolio every quarter (or more if markets are volatile).
- You can view your portfolio online any time.
- Monthly statements sent out.
- Quarterly portfolio and performance reviews sent to each investor.
- Regular one-on-one consultations.

Why Use ETFs in Balanced Portfolios?

- Any ETF which tracks an index provides you with the average return of the market covered by that index.
- 80% of all SA active asset managers cannot outperform the index over periods from 1-5 years (SPIVA S&P Report, December 2017), so you will outperform most active investment products when using passive investments.
- Using ETFs as the building blocks in the scientific construction of multi-asset portfolios can deliver market beating “alpha” performance across the entire portfolio.
- Big benefits in terms of:
 - Lowering cost
 - Reducing risk
 - Enhancing transparency
 - Instant liquidity.



Classic Strategic Asset Allocation (using ETFs and asset class building blocks)



Note: We design specific ETF balanced portfolios to suit the individual requirements of each investor.
(The above asset allocation is indicative only)

Classic Balanced ETF Portfolio - 5 Year Investment Performance

Fund	Allocation	5 Year Total Return* (% p.a.)	Weighted Average Annual Return (% p.a.)
SA Equities			
Satrix Capped INDI ETF	5%	7,73%	0,39%
CoreShares Top 50 ETF	10%	7,95%	0,40%
Satrix DIVI Plus ETF	5%	7,04%	0,35%
Satrix RESI 10 ETF	5%	4,05%	0,20%
Satrix FINI 15 ETF	5%	10,76%	0,54%
Foreign Equities			
CoreShares S&P 500 ETF	10%	20,55%	2,06%
Satrix MSCI World ETF	5%	16,45%	0,82%
Sygnia Itrix MSCI Japan ETF	5%	13,41%	0,67%
DB MSCI China ETN	5%	14,70%	0,74%
Satrix Emerging Market ETF	5%	13,39%	0,67%
CoreShares Global Dividend Aristocrat ETF	10%	20,44%	2,04%
Listed Property			
CoreShares PropTrax Ten ETF	5%	7,55%	0,38%
CoreShares Global Property ETF	5%	17,40%	0,87%
Bonds & Interest Bearing			
PrefTrax ETF	5%	5,99%	0,30%
NewFunds GOVI ETF	5%	6,85%	0,34%
Commodities			
NewGold ETF	5%	4,09%	0,20%
Standard Bank Africa Palladium ETF	5%	16,10%	0,80%
	100%		11,77%

Performance Comparison

5 Year Total Returns (% p.a.)	
etfSA Balanced ETF Portfolio	11,77%
Unit Trust Medium Equity Funds (average return)	6,59%
Unit Trust High Equity Funds (average return)	6,89%

Source: Quarterly Unit Trust Survey (September 2018).

Multi-asset balanced ETF portfolios can outperform multi asset active funds,

So,

Adding a passively managed balanced ETF portfolio to replace all, or at least part, of an actively managed investment strategy, carries no performance penalties.

etfSA.co.za Managed Portfolio Total Costs (1% per annum)

Includes:

- All stockbrokerage charges
- JSE settlement, custodian and BDA costs
- All account administration fees
- All product (TER) costs
- Asset management fees
- Financial advice and consultation
- Online reporting and client statements

Deducted over a 12 month period from quarterly dividends and income flows.

There are no other fees, costs or charges

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**We also construct and manage
global ETF portfolios – contact us for
more details.**