

Launch of New ETNs on the JSE

Six new Exchange Traded Notes (ETNs), issued by First National Bank, will list on the Johannesburg Stock Exchange on Tuesday, 17 August. ETNs are like ETFs in that they trade on a stock exchange and track an underlying asset, however an ETN is a senior, unsecured debt security issued by a bank. As with any other debt security, an investor is subject to the credit risk of the bank issuer.

These products fall into the category of “Offshore thematic ETNs” which seek to track indices that provide exposure to mega-trends or themes that are likely to dominate the global economy for some years to come. These ETNs track the performance of an underlying asset, in this case an ETF.

The new product's details are as follows:

ETN Name	JSE Code	ETN Type	ISIN	Theme
FNB ETN on ENERGYC AUG26	EGETNC	Compo	ZAE000300380	Global Clean Energy
FNB ETN on ENERGYQ AUG26	EGETNQ	Quanto	ZAE000300398	
FNB ETN on WATERWC AUG26	WWETNC	Compo	ZAE000300356	Global Water
FNB ETN on WATERWQ AUG26	WWETNQ	Quanto	ZAE000300349	
FNB ETN on SRIWLDC AUG26	SRETNC	Compo	ZAE000300364	Socially Responsible Investing (Developed Markets)
FNB ETN on SRIWLDQ AUG26	SRETNQ	Quanto	ZAE000300372	

Compo (C) vs Quanto (Q)

ETN Codes ending in ‘C’ are referred to as the Compo version while codes ending in ‘Q’ represent the Quanto version. The primary difference between the Compo and Quanto versions is the return an investor receives. The Compo ETN provides investors with a return that is a combination of the underlying index return in US Dollars and the movement in the Rand/US Dollar exchange rate. The return on the Quanto ETN is dependent on the underlying return in US Dollars only.

For example, in simple terms, if the value of the underlying index generates a return of 10% in US Dollars and the Rand depreciates by 5% against the US Dollar, the returns would differ as follows:

- Compo: $10\% + 5\% = 15\%$
- Quanto: 10%

If the Rand appreciates, this will reduce the total return on the Compo ETN relative to the Quanto.

Fees

Compo: 1% per annum explicit cost

Quanto: no explicit cost but there is an implicit cost due to the currency translation effect.

FNB Global Clean Energy ETN

August 2021

OVERVIEW

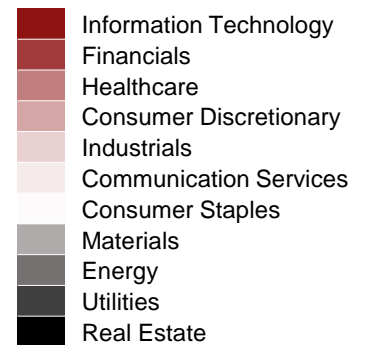
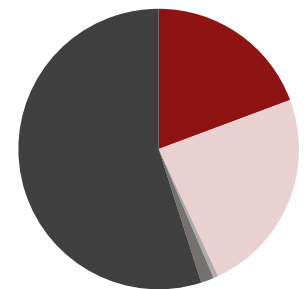
The **FNB Global Clean Energy ETN** (JSE Codes: **EGETNC** and **EGETNQ**) provides exposure to the **Global Clean Energy sector**. The underlying asset is the iShares Global Clean Energy UCITS ETF, and the underlying index is the S&P Global Clean Energy Index. By investing in this product, you are investing in approx. 80 companies involved in clean energy production or the provision of clean energy equipment & technology from both Developed and Emerging Markets. It excludes companies which exceed a carbon emissions threshold determined by the index. The ETF has an MSCI ESG rating of AAA (Leader)

TOP 10 HOLDINGS

COMPANY	DESCRIPTION	%
Vestas Wind Systems	Develops, manufactures, and markets wind turbines that generate electricity. The Company installs and maintenance turbines.	7.6
Orsted	Engages in the development, construction, and operation of offshore wind farms, as well as generates power and heat from power stations.	7.4
Enphase Energy	Manufactures solar power solutions. Offers solutions to increase productivity and reliability of solar modules.	7.1
NextEra Energy	Generates electricity through wind, solar, and natural gas. Through its subsidiaries, NextEra Energy also operates multiple commercial nuclear power units.	4.3
Xcel Energy	Offers a variety of energy-related services including generation, transmission, and distribution of electricity and natural gas.	4.2
Enel SpA	Produces energy and distributes electricity for business and household end users globally.	4.0
Iberdrola	Specialises in clean energy and more specifically, wind power.	4.0
Plug Power	Designs, develops, manufactures and commercializes fuel cell systems for electric lift trucks and materials handling equipment.	3.9
SolarEdge Technologies	Provides solar power optimisation and photovoltaic monitoring solutions.	3.7
Scottish & Southern Energy	Generates, transmits, distributes, and supplies electricity. The company also stores and distributes natural gas, and operates a telecommunications network.	2.9

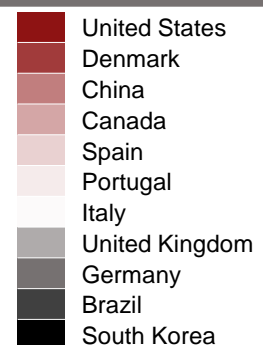
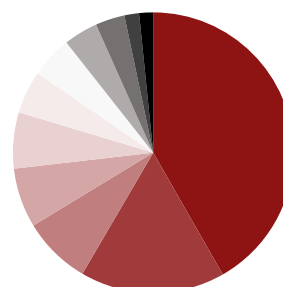
SECTOR EXPOSURE

The main sector exposure is to Utilities (55%), Industrials (24%) and IT (19%)



GEOGRAPHIC EXPOSURE

The geographical exposure is predominantly to the US and Denmark, with the remainder spread across various Developed Market (DM) and Emerging Market (EM) countries such as China, Canada, Spain and Portugal. The total portfolio exposure to DMs is 90% and EMs is 10%



Source: iShares and S&P, July 2021

FNB Global Water ETN

August 2021

OVERVIEW

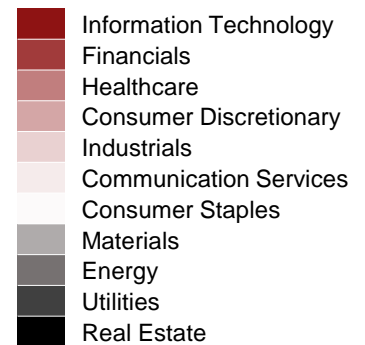
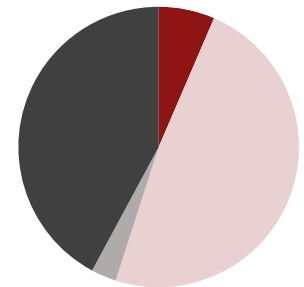
The **FNB Global Water ETN** (JSE Codes: **WWETNC** and **WWETNQ**) provides exposure to the largest **global** companies engaged in **water related businesses**. The underlying asset is the iShares Global Water UCITS ETF, and the underlying index is the S&P Global Water Index. By investing in this product, you are investing in 50 companies that are involved in water related businesses, namely water utilities & infrastructure and water equipment & materials, that are listed on Developed Market exchanges. As economies around the world expand, the demand for water and ancillary services continues to rise. The ETF has an MSCI ESG rating of AA (Leader)

TOP 10 HOLDINGS

COMPANY	DESCRIPTION	%
American Water Works	Provides drinking water, wastewater, and other water-related services.	9.9
Xylem	Designer, manufacturer, equipment, and service provider for water and wastewater applications addressing the full-cycle of water.	9.2
Geberit	Manufactures sanitary products and systems, water supply pipes and fittings, installation systems, and drainage and flushing systems.	5.5
Veolia Environ.	Provides optimised resource management services.	5.5
Halma	Develops technologies and products used for analysis in safety, environmental and leisure related markets, including water, to improve personal and public health.	5.2
Pentair	Provides water and fluid solutions.	5.0
Essential Utilities	Operates as a water utility company.	4.4
United Utilities	Manages and operates the regulated electricity distribution, water, and wastewater networks.	4.1
Suez	Provides equipment and services for potable water supply.	3.8
Severn Trent	Supplies water, waste, and utility services.	3.8

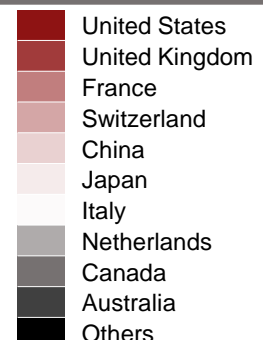
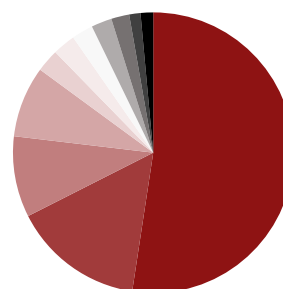
SECTOR EXPOSURE

The main sector exposure is to Industrials (48%) and Utilities (42%)



GEOGRAPHIC EXPOSURE

The geographical exposure is predominantly to the US (52%) and UK (15%), with the remainder spread across various Developed Market (DM) and a small portion to China (2.6%)



Source: iShares and S&P, July 2021

FNB MSCI World Socially Responsible Investing ETN

August 2021

OVERVIEW

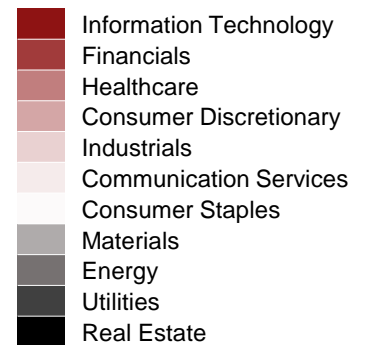
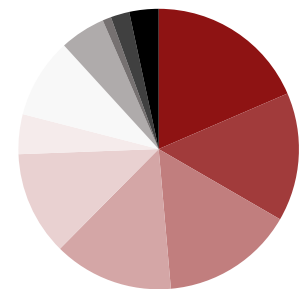
The **FNB MSCI World Socially Responsible Investing ETN** (JSE Codes: **SRETNC** and **SRETNQ**) is for investors seeking diversified “Socially Responsible Investment (SRI)” opportunities, particularly in the global equities space. The underlying asset is the UBS MSCI World Socially Responsible UCITS ETF, and the underlying index is the MSCI World Socially Responsible 5% Issuer Capped Total Return Net Index. By investing in this product, you are investing in approx. 370 companies, across 23 Developed Markets countries, with strong sustainability profiles, based on research provided by MSCI ESG Research. No single stock can weigh more than 5% of the Index at each rebalancing date. The ETF has an MSCI ESG rating of AAA (Leader)

TOP 10 HOLDINGS

COMPANY	DESCRIPTION	%
Microsoft	Microsoft Corporation develops, manufactures, licenses, sells, and supports software products and systems.	5.5
Tesla	Designs, manufactures, and sells high-performance electric vehicles and electric vehicle powertrain components.	3.8
Nvidia	Offers computer graphic software.	3.5
Home Depot	A home improvement retailer that sells building materials and home improvement products.	2.6
Walt Disney	An entertainment company with operations in media networks, park experiences & consumer products, studio entertainment and Direct-to-Consumer networks.	2.3
ASML	Develops, produces, and markets semiconductor manufacturing equipment, specifically machines for the production of chips through lithography.	2.3
Roche	Develops and manufactures pharmaceutical and diagnostic products.	2.0
Cisco Systems	Provides information technology and networking services.	1.7
Coca Cola	Manufactures, markets, and distributes soft drink concentrates and syrups.	1.7
PepsiCo	Operates worldwide beverage, snack, and food businesses.	1.6

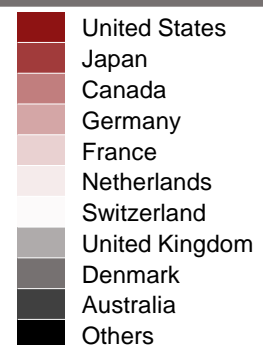
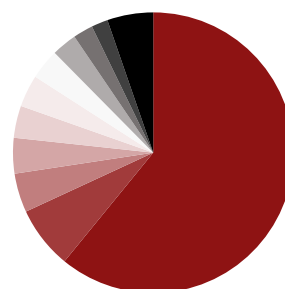
SECTOR EXPOSURE

The sector exposure is diversified across the various sector, as follows:



GEOGRAPHIC EXPOSURE

The geographical exposure is predominantly to the US (60%), with the remainder spread across various Developed Market (DM) countries such as Japan, Canada, Germany and France. The portfolio is exposed 100% to DMs



Source: UBS and MSCI, July 2021

Disclaimer

The Exchange Traded Products (ETPs) contained herein are mainly Collective Investment Schemes in Securities (CIS) and other listed securities which are generally medium to long-term investments that contain elements of risk and can be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. ETPs are listed on the Johannesburg, or other Stock Exchanges, and trade at ruling prices on such Exchanges.

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