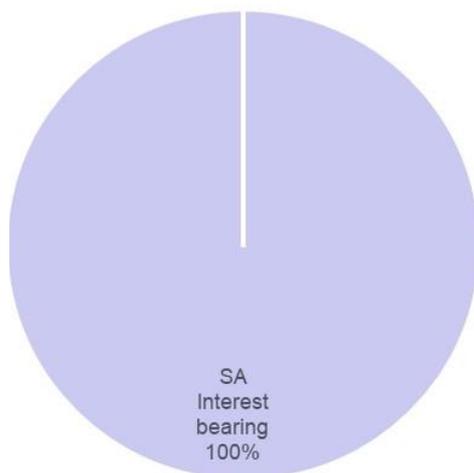


Benchmark Asset Allocation



Key Information

Structure

Prescient Life Policy

Benchmark

STeFI Call Deposit

Return Target

CPI over rolling three years

Risk Profile

Low (L)

Portfolio Fees

Portfolio Management Total Expense Ratio (TER)

0.25% p.a. incl. VAT (maximum)

Reg. 28 Compliant?

Yes

Inception date

August 2016

AUM

R9.47m

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Market Commentary

The outlook for the global economy, and with that, investment markets, deteriorated sharply towards the end of 2018, with key risks cited by the IMF, an escalation in the US-China trade war, an uncertain Brexit path, and higher global interest rates. In contrast to the impact of the global financial crisis in 2008 (short and sharp, with a relatively quick recovery), the slow grind lower can result in much more pain, especially if it leads to inappropriate investment decisions – if your time horizon is long term (more than 7-10 years), the recent poor performance should not be the reason why you change your investment strategy. The best course of action is to stay invested (avoid selling-low-and-buying-high), to continue making regular contributions (benefit from rand-cost averaging over time) and increase diversification due to the high levels of volatility and increased uncertainties. The local market offers good value (currently still at 2014 levels), and after a sharp pullback in Q4-18, global markets are much less over-valued than they've been for a while. Stay the course!

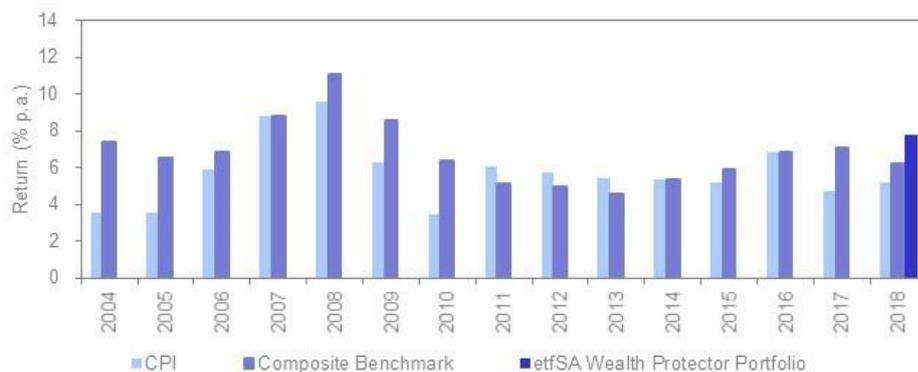
Portfolio Investment Returns Compared with Market Performance

(%)	6m	1yr	3yrs (pa)	5yrs (pa)	10yrs (pa)
Cash - ST Fixed Income Index (STeFI)	3.5	6.8	7.3	6.8	6.7
CPI		4.7	5.4	5.4	5.6
etfSA Wealth Protector Fund	3.7	7.5	7.6	7.0	

Actual Portfolio Holdings

Asset class	Bank and Call Deposits	Weight (%)
	Standard Bank	25.7
	Firststrand Bank	24.9
	Nedbank	24.7
SA Interest bearing	ABSA	18.9
	Societe Generale SA	2.5
	BNP Paribas	1.8
	HSBC Bank Africa	1.1
	Standard Chartered	0.3

Illustrative Performance



Portfolio description

The **etfSA Wealth Protector Portfolio** aims to preserve the purchasing power of assets over time by achieving targeted returns of the level of inflation (as measured by the Consumer Price Index, or CPI) over rolling three year periods, while protecting the initial capital and providing immediate liquidity to investors. The portfolio is invested in short term money market instruments of the highest quality.

The portfolio is suitable for an investor with a very short term investment horizon, or a very risk-averse appetite for investments. The portfolio is well-suited for very conservative investors looking for capital preservation with no additional real return objectives. The portfolio does not pay out dividends – any distributions received from underlying investments are automatically reinvested into the portfolio to allow for additional compounded growth.

Portfolio Construction Strategy

The portfolio construction follows a transparent and rules-based passive portfolio management style. Investment objectives are achieved by adhering to strict risk control measures, including allowable credit exposures according to Reg. 28 criteria. The portfolio invests only in domestic money market assets, i.e. with maximum 12-month duration.

Although the Portfolio does not offer an explicit capital guarantee, the ultra-low risk exposure achieves protection to invested capital. However, negligible portfolio value fluctuations may occur in the short term. Underlying investments are held in money market fund investments to allow for maximum cost benefit to the investor. Distributions received from underlying investments are re-invested into the portfolio immediately when received to maximise total returns and optimise tax efficiency.

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etfSA.co.za 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 **etfSA** range of **Wealth** management portfolios provide investors with investment portfolios that exclusively utilise Exchange Traded Products (ETPs) as the underlying investments.

For more information on etfSA, its transaction platform for ETPs and its tax free, retirement and living annuity investment options, visit the website www.etfSA.co.za or call (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 **etfSA Wealth Protector Portfolio** represents the performance of the actual portfolio, including all investment cash flows, since inception.
2. All returns quoted are net of fees – that is, after deduction of all expenses as quoted in the Portfolio Management TER. Returns for periods exceeding one year are annualised. All returns are in Rands.
3. The benchmark is the STeFI index as indicated on the first page. The return is an estimate and is displayed as a general guide which is subject to change without notice to investors.
4. All holdings information is based on latest available data. There may be differences in totals due to rounding.

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