STANLIB S&P500 Info Tech Index Feeder ETF

Fund Information as at 31 March 2018

STANLIB
INDEX INVESTMENTS

What is the fund's objective?

The objective of the STANLIB S&P500 Info Tech Index Feeder ETF is to track the S&P500 Info Tech Index ("the Index") as closely as possible, in South African Rand.

What does the fund invest in?

The fund is a feeder fund and as such it invests in the iShares S&P500 Information Technology UCITS ETF. This underlying fund tracks the S&P500 Info Tech Index and aims to replicate the performance of the Index. The S&P500 Info Tech Index comprises those companies that are included in the S&P500 Index and classified as members of the GICS® Information Technology sector. The Index is rebalanced quarterly.

The fund may also hold a small portion in cash instruments and listed derivatives to effect efficient portfolio management.

What possible risks are associated with this fund?

Risks include general market conditions and market volatility, company specific risk, sector specific risk, country specific risk, exchange rate risk, economic and political risk.

Risk Rating				
Conservative	Moderately conservative	Moderate	Moderately aggressive	Aggressive

Who should consider investing in this fund?

- Investors who seek exposure to US technology equities in South African Rand
- Individual investors who seek foreign technology equity exposure without foreign exchange tax clearance
- Investors who seek a low cost US technology fund
- Investors who seek a simple and transparent investment process that invests in liquid, listed securities
- Investors who seek equity market exposure that blends well with other investment strategies to reduce total costs and diversify risk
- Investors who are willing to take a longer term view as this fund is aggressively risk profiled and investors should expect some volatility in the shorter term

What is the suggested investment period?

Five years or longer.

What are the costs to invest in this fund?

Portfolio charges including VAT:

	Class A
Manager annual fee	0.19%
Total Expense Ratio (TER)	**N/A**
Transaction Costs (TC)	**N/A**

Total Exchange Ratio and Transaction Costs will be published when the fund has reached one year post launch and the TER will include the TER of the underlying fund. The TER of the underlying fund (iShares S&P500 Information Technology UCITS ETF) was 15bps as at March 2018.

General fund information

	Class A
Launch date:	7 March 2018
Portfolio Manager(s)	Ryan Basdeo
Portfolio Size (NAV)	R 24.3 million
ISIN Code:	ZAE000255063
JSE Code:	ETF5IT
Sector classification:	Regional Equity - General
Portfolio benchmark:	S&P500 Info Tech Index
Distribution status:	Accumulation
Securities lending ratio:	0%

Performance (%)

Performance and tracking error data will be available when the fund has a 12 month track record.

Who are the fund managers?

The fund is run by the STANLIB Index Investments team which specialises in the manufacture of index and factor products for individual and institutional investors. Investors who seek a simple, transparent and low-cost investment solution can invest in index products that meet their financial goals.

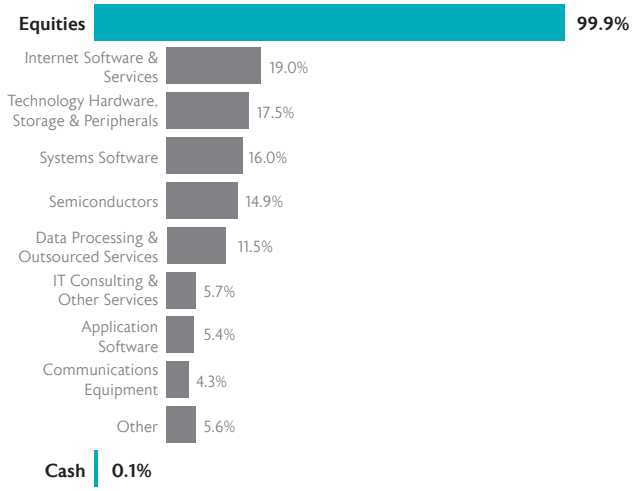
Ryan Basdeo
Portfolio Manager
BCom(Taxation), Registered Security Trader
Industry experience: 11 years

STANLIB S&P500 Info Tech Index Feeder ETF

Performance as at 31 March 2018

STANLIB INDEX INVESTMENTS

Underlying fund sector allocation



Top 10 holdings (% of underlying fund)

	Fund weight
Apple Inc	15.20
Microsoft Corp	12.54
Facebook Class A Inc	6.84
Alphabet Inc Class C	5.61
Alphabet Inc Class A	5.53
Intel Corporation Corp	4.35
Visa Inc Class A	3.85
Cisco Systems Inc	3.69
Mastercard Inc Class A	2.88
Nvidia Corp	2.51

Contact details

STANLIB Collective Investments (RF) Pty Limited Reg. No. 1969/003468/07

17 Melrose Boulevard Melrose Arch	P.O Box 202
Johannesburg	Melrose Arch
South Africa	2076
Contact Centre:	0860 123 003 www.stanlib.com/indexinvestments
Compliance number:	HX4559
Published date:	30 April 2018

Fund review

The fund performed in line with the index and underlying fund since the inception date of 7 March 2018. The S&P 500 Information Technology index outperformed the S&P 500 index for the quarter. The index has delivered an impressive 27.2% return in US dollars terms for the 12 months ended 31 March 2018.

Market overview

This year started off on a very positive mood driven by synchronised global growth forecasts and benefits of US tax cuts. However, towards the middle of the quarter, higher US wage numbers had triggered fears of inflation and faster than anticipated interest rate increases. The concerns about the path of US interest rates combined with growing tension in world trade between the US and China, fuelled an increase in global volatility leading to an equity sell off. Despite periods of corrections driven by concerns of high valuations in the information technology sector and data security issues around Facebook, the sector still delivered a relatively strong performance for the quarter of 3.2%.

Looking ahead

The short-term economic outlook remains positive on the back of a positive trend in global trade activity. Global leaders and policymakers' decisions will remain key drivers in ensuring geopolitical and protectionist threats do not undermine economic growth in the longer run. The fund remains positioned to deliver returns that are aligned to the index.

Disclaimer

Collective Investment Schemes in Securities (CIS) are generally medium to long term investments. The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. ETFs trade on exchanges like stocks and are bought and sold at market prices which may differ to the net asset value of the ETF. Additional costs (e.g. brokerage fees) may be incurred for the investor by buying or selling the ETF on the exchange. An investment in the participations of a CIS in securities is not the same as a deposit with a banking institution. CIS are traded at ruling prices and can engage in borrowing and scrip lending. A schedule of fees and charges and maximum commissions is available on request from STANLIB Collective Investments (RF) Pty Ltd (the Manager). Commission and incentives may be paid and if so, would be included in the overall costs. Forward pricing is used. Fluctuations or movements in exchange rates may cause the value of underlying international investments to go up or down. Liberty is a full member of the Association for Savings and Investments of South Africa. The Manager is a member of the Liberty Group of Companies.

This portfolio is valued on a daily basis at 17h00.

The manager does not provide any guarantee either with respect to the capital or the return of a portfolio. The manager has a right to close the portfolio to new investors in order to manage the portfolio more efficiently in accordance with its mandate.

Additional information about this product, including brochures, application forms and annual or quarterly reports, can be obtained from the Manager, free of charge, and from the website: www.stanlib.com. The prices of unit trust funds are calculated and published on each working day. These prices are available on the Manager's website and in the South African printed news media.

Performance is calculated for the portfolio. The individual investor performance may differ as a result of initial fees, the actual investment date, the date of reinvestment and dividend withholding tax.

A feeder fund is a portfolio that invests in a single portfolio of a collective investment scheme, which levies its own charges and which could result in a higher fee structure for the feeder fund.

TRUSTEES Societe Generale, 2nd Floor, 160 Jan Smuts Avenue, Rosebank, 2196 T + 27 11 448 8400

T 0860 123 003 **W** www.stanlib.com/indexinvestments **Compliance number:** HX4559 **Published date:** 30 April 2018

Investment manager: STANLIB Asset Management (Pty) Ltd, an authorised FSP under FAIS Act