NewFunds SWIX 40 Exchange Traded Fund

Minimum Disclosure Document

Report Date: 30 June 2018

Fund Objectives

NewFunds SWIX 40 ETF tracks the FTSE/JSE Shareholder Weighted Top 40 Total Return* Index (Bloomberg Code: JSHR40TR Index). The SWIX 40 is a shareholder weighted Top 40 Index, which makes use of the share register of the top 40 companies listed on the main board of the JSE and qualifying under the Ground Rules as being eligible for inclusion in the Index, to reduce the constituent weights for foreign shareholders in these stocks. In addition, FTSE/JSE SWIX Top 40 is adjusted for cross-holdings and strategic holdings. The impact is to reduce the weightings of mainly resource and dual-listed stocks in the Top 40 Index.

NewFunds SWIX 40 ETF is suitable for investors seeking low-cost convenient alternatives to traditional non-listed products and can act as a building block for investors to use when constructing their own portfolios.

Fund Details

Issuer	NewFunds CIS
Manager	NewFunds (Pty) Ltd
Originator	Absa Bank Limited acting through Absa CIB division and Absa Alternative Asset Management (Pty) Ltd
Trustees	Standard Bank (SA) Ltd
Benchmark index	JSE Shrhldr Wt Top40 TR
Sector	Exchange Traded Funds
Fund Category	South African – Equity – Large Cap
JSE code	NFSWIX
ISIN	ZAE000163754
Base currency	ZAR
Listing date	26/01/2012
Net Asset Value	17,744,318

Annualised TER[**1]**	0.28%	
Maximum Management Fee[2]	0.35%	
Transaction Cost[3]	0.04%	
Effective Annual Cost (EAC)[4]	0.32%	
Risk Profile[5]	Aggressive	
Index rebalance frequency	Quarterly	
Dividend frequency	Mar, Jun, Sep & Dec	
No. of securities issued	1,000,000	
Ex Div Date of last distribution	24/04/2018	
Amount of last distribution	11.15 cents per index security	
Net distribution payment	9.05 cents per index security	
Next distribution payment	Ex Date	18/07/2018
	Record Date	20/07/2018
	Pay Date	23/07/2018
Fund Valuation	17h00	
Tracking Error	0.06%	
Daily price information	etfcib.absa.co.za	

* A total return ETF reinvests distributions back into the fund so as to increase the net asset value of the portfolio. Investors are also advised to speak to their tax or financial advisor about the tax treatment of distributions.

** As published on Finswitch for the quarter ended 30 June 2018

Benefits

- **Diversification:** exposure to the whole market / asset classes
- **Liquidity:** Absa market maker provides full liquidity to enable investors to easily buy or sell the ETF
- **Transparency:** The ETFs constituent assets, holdings and investment methodology are published regularly
- **Lower costs:** due to ETFs being passive in nature, they tend to have a low fee structure than actively managed funds
- **Investor protection:** ETF securities are fully backed by the underlying assets
- **Traded like a share:** ETFs are funds listed and traded like ordinary shares on a stock exchange
- NewFunds ETFs are registered as Collective Investment Schemes (CIS)

ETF Performance[6] History as of 30 June 2018*

Performance Period	NewFunds SWIX 40 ETF	JSE Shrhldr Wt Top40 TR
Return since inception	11.73%	12.58%
1 year return	12.94%	13.65%
2 year return	5.59%	6.24%
3 year return	4.57%	5.22%
4 year return	5.54%	6.25%
5 year return	10.65%	11.48%

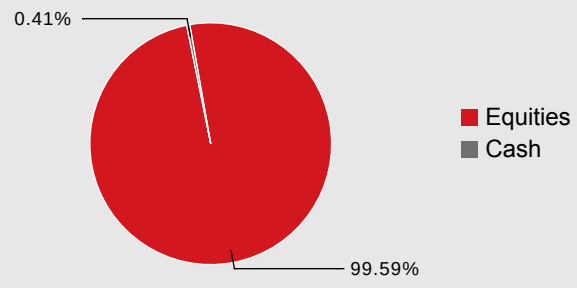
Income Distribution in the past 12 months

Month	Net Income in Cents
September 17	
December 17	3.21
April 18	9.05

Risk statistics since listing*

	Highest annual return	Lowest annual return
NewFunds SWIX 40 ETF	40.81%	-8.56%
JSE Shrhldr Wt Top40 TR	42.39%	-8.16%

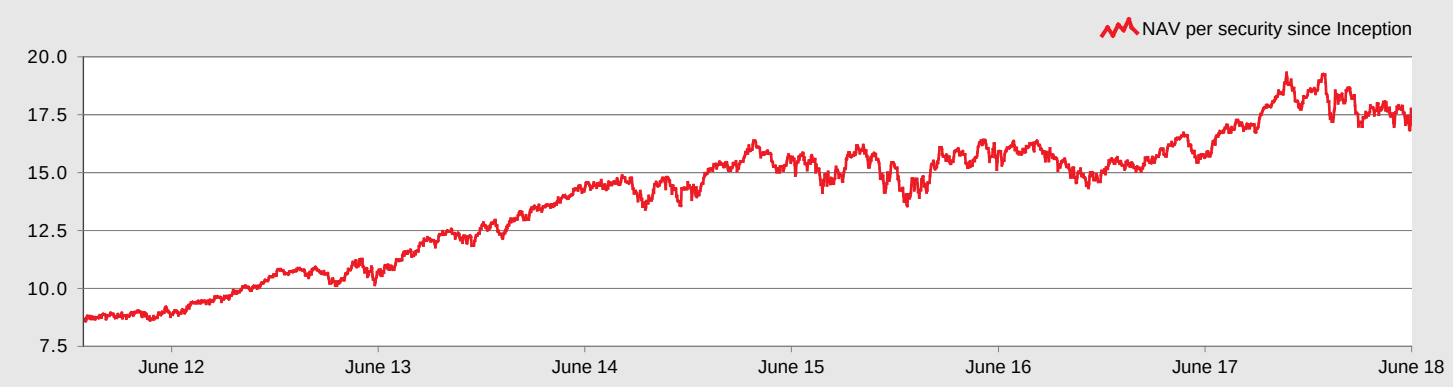
Asset Class Allocation



Top 10 Holdings*

Naspers Limited	30.29%
Sasol Limited	5.61%
Standard Bank Group Limited	4.98%
FirstRand Ltd	4.14%
MTN Group Limited	3.96%
British American Tobacco PLC	3.56%
Anglo American PLC	3.54%
Sanlam Limited	2.48%
Barclays Africa Group Ltd	2.31%
BHP Billiton PLC	2.24%

Historical NAV chart*



* Source: Absa - June 2018
All returns are annualised. Annualised returns represent an average growth rate of an investment per year, over a given time period.

Contact Information

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Notes

1. The Total Expense Ratio (TER) is a measure of the ETFs assets that have been sacrificed as payment for services rendered (allowable charges per prescribed industry standards) in the management of the ETF(the TER excludes brokerage and transactional costs), expressed as a percentage of the daily average value of the portfolio and calculated over a 12 month rolling period. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.
2. Maximum management fee is the maximum fee which the manager charges for the portfolio. Where the TER is lower than the management fee, the Manager has subsidized the portfolios or waived allowable expenses. Such subsidies and waivers are not guaranteed perpetually and a higher TER will incur in the future.
3. The Transaction Cost is the cost incurred in the buying and selling of the underlying assets of an ETF. It is expressed as a percentage of the daily average value of the ETF and it is calculated over a 1 year period.
4. EAC is a measure of the charges that an investor will likely incur by investing in an ETF. It includes the investment management costs (TER and transaction costs), administration costs, advice costs and other costs. Our ETFs do not charge an administration or advice fees, these fees maybe payable through an investment platform chosen by the investor. A schedule of management fees and transactions costs is available on request from the Manager.
5. Through index replication the fund invests in shares only, as a result it lacks diversification into other asset classes. The fund aims to deliver higher growth but can be very volatile during the short term resulting in capital loss.
6. The performance quoted represents past performance and the Manager does not provide any guarantee with respect to capital or future returns of the ETF. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less that the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting http://etfcib.absa.co.za.
7. The standard deviation of the Fund's monthly returns since inception. This is a measure of how much an investment's return varies from its average over time.
8. Highest annual return represents the highest one year return of the ETF since inception.
9. Lowest annual return represents the lowest one year return of the ETF since inception.
10. Performance is calculated for the portfolio and it differs from individual investments performance due to fees.
11. The fund does not engage in securities lending.

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