NewFunds TRACI 3 Month Exchange Traded Fund

Minimum Disclosure Document

Report Date: 29 March 2019

Fund Objectives

NewFunds TRACI 3 Month ETF tracks the total return* version of the Barclays Capital/Absa Capital ZAR Tradable Cash Index 3 Month (TRACI-3M), an index consisting of 3 - month South African money market deposit rates (NCDs) of which the present mark-to-market value of these instruments constitute the Index level.

TRACI 3 Month ETF is suitable for investors seeking low-cost convenient alternatives to traditional non-listed products.TRACI 3 Month ETF 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	TRACI Index
Sector	Exchange Traded Funds
Fund Category	South African – Interest Bearing – Money Market
JSE code	NFTRCI
ISIN	ZAE000162251
Base currency	ZAR
Listing date	26/01/2012
Net Asset Value	207,554,556

Annualised TER[**1]**	0.25%	
Maximum Management Fee[2]	0.35%	
Transaction Cost[3]	0.00%	
Effective Annual Cost (EAC)[4]	0.25%	
Risk Profile[5]	Conservative	
Index rebalance frequency	Quarterly	
Dividend frequency	Monthly	
No. of securities issued	8,316,726	
Ex Div Date of last distribution	19/03/2019	
Amount of last distribution	0.00 cents per index security	
Next distribution payment	Ex Date	24/04/2019
	Record Date	26/04/2019
	Pay Date	29/04/2019
Fund Valuation	17h00	
Tracking Error	0.00%	
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 29 March 2019

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 29 March 2019*

Performance Period	NewFunds TRACI 3 Month ETF	TRACI Index
Return since inception	6.16%	6.33%
1 year return	6.78%	7.22%
2 year return	6.96%	7.33%
3 year return	7.04%	7.39%
4 year return	6.83%	7.10%
5 year return	6.62%	6.84%

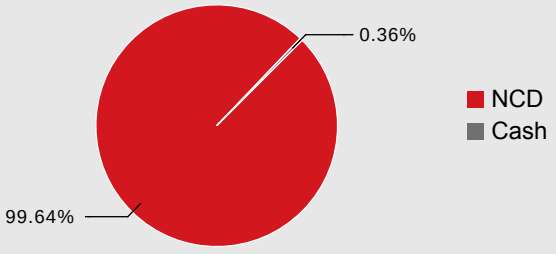
Income Distribution in the past 12 months

Month	Income in Cents	Month	Income in Cents
April 18	12.44	December 18	
July 18	9.97	January 19	35.30
October 18	34.60	February 19	
November 18		March 19	

Risk statistics since listing*

	Highest annual return	Lowest annual return
NewFunds TRACI 3 Month ETF	21.22%	4.86%
TRACI Index	8.45%	-8.80%

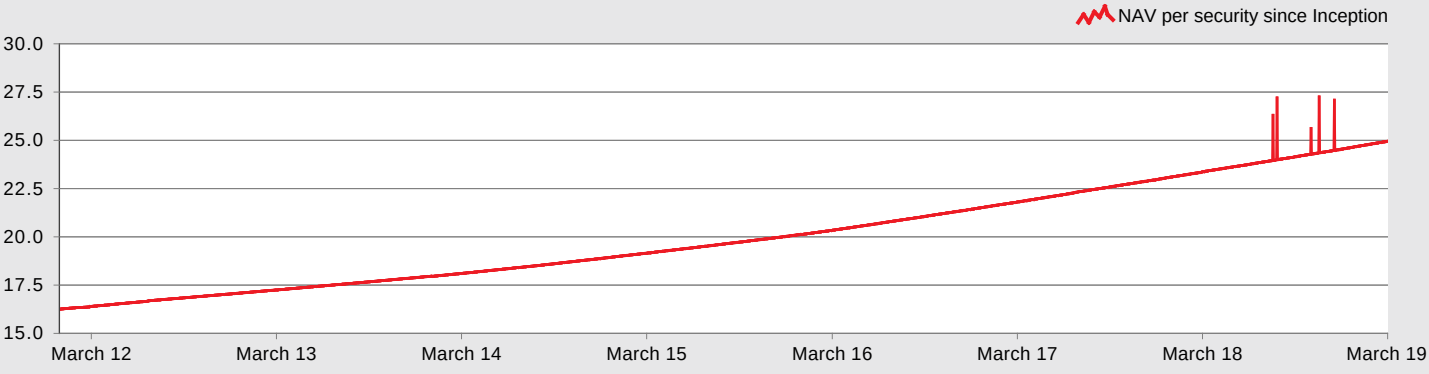
Asset Class Allocation



Holdings*

Nedbank Group Ltd	23.01%
Standard Bank Group Limited	21.05%
Barclays Africa Group Ltd	18.85%
Investec Ltd	18.61%
FirstRand Ltd	18.12%
Cash/Other	0.36%

Historical NAV chart*



* Source: Absa - March 2019
All returns are annualised. Annualised returns represent an average growth rate of an investment per year, over a given time period.

Contact Information

Absa Online and AIMS Investment Plan
Tel: 0860 000 005
Email: aimsenquiries@absa.co.za

NewFunds Investment Plan
Tel: 0861 289 383
Email:etf.nf@aospartner.com

Absa CIB ETPs
Website: http://etfcib.absa.co.za

Trustees Information
Standard Bank (SA) Ltd
Tel:+27 21 401 2675
Email: TRUSTEE-ABSA@standardbank.co.za

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 aims to preserve and grow capital by investing in money market instruments only, it has the lowest risk however it is sensitive to inflation.
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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