

# ASHBURTON TOP40 EXCHANGE TRADED FUND (ETF)

Previously the RMB Top40 Exchange Traded Fund

Minimum disclosure document (fact sheet) as at 30 June 2017

# ASHBURTON INVESTMENTS

Focused Insight

## Investment objectives & strategy

To provide investors with exposure to the South African equities market through the purchase of a JSE listed ETF. The Ashburton Top40 ETF invests in the 40 biggest companies listed on the JSE based on their market capitalisation.

The aim of the Ashburton Top40 ETF is to provide returns linked to the performance of the FTSE/JSE Top40 Index. The ETF tracks the component equities of the index in proportion to the index weightings. The FTSE/JSE Top40 index contains 40 largest companies in terms of market capitalisation. The Ashburton Top40 ETF pays a quarterly distribution, which is made up of any dividends or interest earned from the underlying shares.

## Key facts

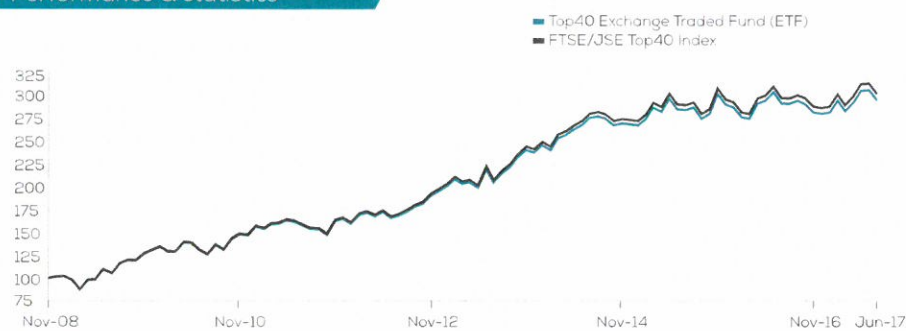
### Risk profile



### General information

Fund classification	South African; Equity; Large Cap
Launch date	16 October 2008
Number of Securities listed	20 500 000
Fund size	R934.6 million
Net asset value (NAV)	4558.80 cents per unit
Benchmark	FTSE/JSE Top40 Index
Domicile	South Africa
Reporting currency	ZAR
Pricing	Daily
Income distributions & rebalancing frequency	Quarterly (Mar, Jun, Sep, Dec)
JSE code	ASHT40
Bloomberg code	ASHT40 SJ EQUITY
Reuters code	ASHT40J.J
ISIN:	ZAE000215364
Regulation 28	Eligible within allocation constraints
Investment manager	Ashburton Fund Managers (Proprietary) Limited
Trustee	Standard Chartered Bank 4 Sandown Valley Crescent, Sandton, 2196 Website: www.standardchartered.com
Market Maker	RMB Securities

## Performance & statistics



Source: Ashburton

All performance numbers are net of all fees and expenses. The above is purely for illustrative purposes.

The above portfolio performance is calculated on a NAV basis and does not take any initial fees into account. For reinvesting funds, income is reinvested on the ex-dividend date. Actual investment performance will differ based on the initial fees applicable, the actual investment date and the date of reinvestment of income. Past performance is not necessarily an indication of future performance.

Performance (%)	Fund	Benchmark	Distribution date	Income distribution (cpu)	Dividend distribution (cpu)	Reit income (cpu)	Total distribution (cpu)
YTD	4.75	4.87					
1 Mth	-3.59	-3.59					
3 Mths	0.88	0.94					
6 Mths	4.75	4.87	10/04/2017	0.00	33.50	3.23	36.73
1 Yr	1.17	1.56	17/01/2017	0.00	13.90	3.84	17.74
3 Yr	2.27	2.53	17/10/2016	0.00	43.06	0.00	43.06
5 Yr	11.86	12.15	04/07/2016	0.00	23.68	0.00	23.68
Since launch (16/10/08)	13.89	13.91					

Source: Ashburton

- Returns include the re-investment of distributions and are net of fees
- Returns over 12-months have been annualised.

### Fee structure (%)

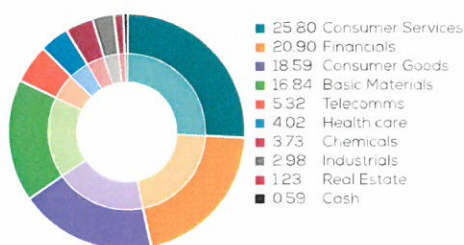
Fee structure (%)	A Class
Initial Fee	The intermediary may charge an upfront brokerage fee to a maximum of 3.00% (excl. VAT) and an ongoing fee to a maximum of 1.00% (excl. VAT)
Annual management fee (excl. VAT)	0.10%
Transaction Costs (TC)	0.04%
Total expense ratio (TER)	0.17%
Total Investment Cost (TIC)	0.22%

### Contact us

Please speak to your financial advisor or contact us for more information:

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 Email: ashburtonquery@investoradmin.co.za  
 Website: www.ashburtoninvestments.com (includes daily prices)

## Portfolio composition (%)



Source: Ashburton

## Largest holdings (%)

Company	Percentage (%)
Naspers Ltd -N-	19.99
Compagnie Fin Richemont	10.18
BHP Billiton Plc	7.66
British American Tob PLC	4.08
MTN Group Ltd	3.79
Sasol Limited	3.73
Anglo American Plc	3.62
Standard Bank Group Ltd	3.37
Steinhoff Int Hldgs N.V.	3.21
Old Mutual PLC	2.91

Source: Ashburton

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INVESTMENTS

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## Monthly performance history (%)

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2017	4.64	-3.91	3.27	4.43	0.20	-3.59							4.75
2016	-3.76	-0.60	6.04	1.08	3.24	-4.11	-0.09	1.17	-1.45	-3.00	-0.55	0.51	-1.96
2015	2.61	4.53	-1.54	5.10	-3.94	-0.26	0.92	-4.25	1.95	7.84	-3.90	-1.10	7.37
2014	-2.15	5.38	1.45	2.25	1.89	3.00	0.57	-0.86	-2.67	0.75	-0.25	-0.50	8.91
2013	3.75	-2.37	0.88	-3.02	10.29	-6.69	5.12	3.10	4.99	3.28	-1.14	3.31	22.42
2012	5.99	1.43	-2.29	2.89	-3.80	1.54	2.53	3.09	1.75	4.99	2.67	2.79	25.81

Source: Morningstar

## Why invest in ETF's

### Diversified

ETF's are a convenient, cost-effective method to gain market exposure to an entire index and across asset classes. ETF's are funds listed on the JSE and are traded like ordinary shares on the stock exchange through a stockbroker.

### Cost effective

The aim of an ETF is to track a specific index and the goal of the asset manager is to replicate the constituents of the index that is tracked. The investment is therefore deemed to be passively managed, and as a result tends to have a lower fee structure than that of an actively managed fund.

### Transparency

ETF's investment methodology and constituent assets, including the weightings and sectors represented are published regularly within a highly regulated trading environment

### Investor protection and liquidity

ETF's are physically backed by the underlying securities that constitute the index that is being tracked, and the RMB market maker provides liquidity which enables investors to trade in the ETF with ease.

## Definitions

Total return:	Total return accounts for two categories of return: income and capital appreciation. Income includes interest paid by fixed income investments, distributions or dividends. Capital appreciation represents the change in the market price of an asset.
NAV (net asset value):	This is the total value of assets in the portfolio less any liabilities, divided by the number of shares outstanding.
TER (total expense ratio):	This is a measure of the total costs associated with managing and operating an investment fund. These costs consist primarily of management fees and additional expenses such as trustee and custody fees, auditor fees and other operational expenses. The total cost of the fund is divided by the fund's total assets to arrive at a percentage, which represents the TER.
Index:	In the case of financial markets, an index is a theoretical portfolio of assets representing a particular market or a portion of it. Each index has its own calculation methodology and is usually expressed in terms of a change from a base value. Thus, the percentage change is more important than the actual numeric value.
Transaction costs:	Total costs incurred by the investor in buying and selling the underlying assets of a financial product and is expressed as a percentage of the daily NAV calculated on an annualised basis. These costs include brokerage, VAT, and trading costs.
Annualised cost:	Is the cost per year of investing in the assets of a financial product.
Annualised return:	This is the average rate earned by the investment over a year in the period measured.
Tracking error:	The difference in the fund's total return performance and the total return performance of the index.

## Disclaimer

**Ashburton Management Company (RF) (Proprietary) Limited** (Reg No 1996/002547/07) ("Ashburton") is an approved collective investment schemes manager of the Ashburton Collective Investment Scheme ("Ashburton CIS"). Ashburton is regulated by the Financial Services Board and is a full member of the Association for Savings and Investment SA (ASISA).

This document and any other information supplied in connection with the Ashburton CIS is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, 37 of 2002 ("the FAIS Act") and investors are encouraged to obtain their own independent advice prior to buying participatory interests in CIS portfolios issued under the Ashburton CIS. Any investment is speculative and involves significant risks and therefore, prior to investing, investors should fully understand the portfolios and any risks associated with them.

Collective investment schemes in securities are generally medium to long term investments. In the event a potential investor requires material risks disclosures for the foreign securities included in a portfolio, the manager will upon request provide such potential investor with a document outlining: potential constraints on liquidity & repatriation of funds; Macroeconomics risk; Political risk; Foreign Exchange risk; Tax risk; Settlement risk; and Potential limitations on the availability of market information.

The value of participatory interests may go down as well as up and past performance is not necessarily a guide to the future. Forward pricing is used and **portfolio valuations take place at approximately 15h00 (14h00 for money market funds) each business day (17h00 at month and quarter end). Instructions to redeem or repurchase must reach Ashburton before 14h00 (11h00 for money market funds) to ensure same day value.** For money market and short term debt portfolios the price of each participatory interest is aimed at a constant value. While a constant price is maintained the investment capital or the return of a portfolio is not guaranteed. The total return to the investor is primarily made up of interest received but may also include any gain or loss made on any particular instrument. In most cases this will merely have the effect of increasing or decreasing the daily yield, but in extreme case, e.g. defaults by underlying issuers, it can have the effect of reducing the capital value of the portfolio. The yield is calculated using an annualised seven day rolling average as at 30 June 2017. Excessive withdrawals from the portfolio may place the portfolio under liquidity pressures. In such circumstances a process of ring-fencing of withdrawal instructions and managed pay-outs over time may be followed. For bond and income portfolios, this is a historic/current yield as at 30 June 2017.

CIS portfolios are traded at ruling prices and can engage in borrowing and scrip lending. Fluctuations or movements in exchange rates may cause the value of underlying investments to go up or down. A CIS portfolio may borrow up to 10% of the market value of the portfolio to bridge insufficient liquidity.

Participatory interests are calculated on a net asset value (NAV) basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the CIS portfolio divided by the number of participatory interests in issue.

All fees quoted exclude VAT except where stated differently.

The Total Expense Ratio (TER) is expressed as an annualised percentage of the charges, levies and fees incurred by the portfolio related to its management, for the period under review against the average NAV of the portfolio over this period. A higher TER does not necessarily imply a poor return, nor does a lower TER imply a good return. The current TER cannot be regarded as an indication of future TERs. A full detailed schedule of fees, charges and commissions is available from Ashburton on request and incentives may be paid and if so, would be included in the overall costs.