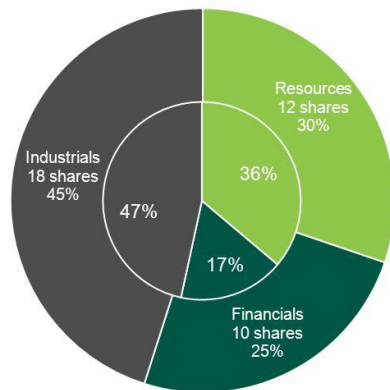


December 2012

## Equally Weighted Top40 Exchange Traded Fund

*"Bringing balance to your portfolio in one easy step"*

### Sector Allocation



Inner circle: Market cap weighted  
Outer circle: Equally weighted

### Key Information

#### Share code

BBET40

#### ASISA Category

Domestic Equity Large Cap

#### Benchmark

FTSE/JSE Africa Top40 Index

#### Risk

Medium to high (MH)



#### Management fees

Maximum 0.30% (incl. in TER)

#### Total expense ratio (TER)

0.39% p.a.

#### Income distribution

Quarterly in March, June, September and December

#### Liquidity

Intraday

### Contact us

#### Lyn Brooks

LynBrooks@NedbankCapital.co.za  
+27 11 294 4747

#### Nerina Visser

NVisser@NedbankCapital.co.za  
+27 11 294 3217

#### Nedgroup Beta Solutions

BetaSolutions@nedbank.co.za  
www.bettabeta.co.za

The Nedbank BettaBeta Equally Weighted Top40 Exchange Traded Fund ("BBET40 ETF") tracks the BettaBeta Equally Weighted Top40 Index, calculated independently by the FTSE/JSE. This index is comprised of the same companies as the FTSE/JSE Top40 index, but they are held in equal proportions of 2.5% each (as at the quarterly rebalancing date). The index is rebalanced in line with the quarterly review of the FTSE/JSE Africa Index Series and underlying constituents mirror the changes in the FTSE/JSE Top40 Index. This ETF is suitable to a range of investors: Institutional investors looking for more balanced benchmarks and passive exposures; Hedge funds needing a passive product for hedging purposes; and Individual Investors wanting a balanced lower risk equity investment.

### Comparative ETF & benchmark performance of Top40-based indices (% return)

	3m	6m	12m	3 yrs (p.a.)	5 yrs (p.a.)
BBET40 ETF	10.08	16.60	26.43	-	-
Equally Weighted Top40 index	10.18	16.80	26.82	14.25	6.48
Market Cap Weighted Top40 index	10.40	17.40	22.27	11.26	5.80
10% Cap Weighted Top40 index	10.30	17.18	22.36	11.98	6.63
Shareholder Weighted Top40 Index	10.33	17.28	24.57	12.85	6.55

Note: The BBET40 first listed on the JSE on 25-Mar-10

### Market commentary

December marked the long-awaited twice-a-decade **ANC Leadership Conference** held in Mangaung. A combination of market-friendly statements and increased certainty gave the market an injection of positive sentiment and **strong foreign inflows**. The JSE continued to make new record highs with remarkable regularity, and was on course to end the year above the psychological 40,000 level. However, the inability of US lawmakers to agree on a deal to avoid the largest economy in the world from falling over the infamous 'fiscal cliff' prevented that from happening. The **S&P500 index managed a modest 0.7% gain** for the month, just marginally ahead of the **FTSE100 index at 0.5%**, whilst the **CRB index declined by 1.3%**.

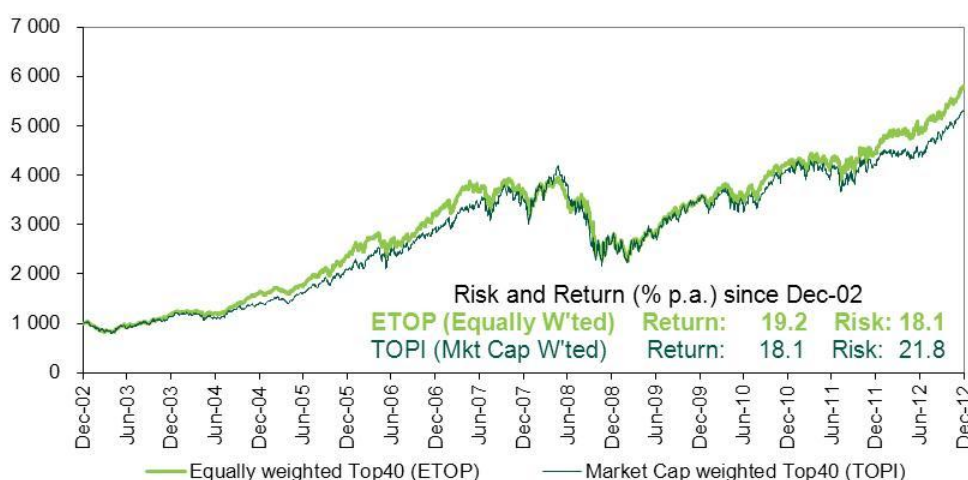
The domestic equity market experienced its **best inflows in almost two years** as foreigners were net buyers of almost R5.3bn worth of stock. This came on top of continued inflows into the domestic bond market, albeit at a much slower pace of around R1.96bn. These strong inflows resulted in the domestic currency **strengthening by an estimated 5.3% on a trade-weighted basis**. Efforts by the Bank of Japan to weaken its currency continued unabated and the Yen weakened by a further 5.2% against the US dollar during December. The domestic currency started the month at R8.91/\$ and closed very near its recent lows at R8.46/\$, just slightly off the strongest closing level of R8.45/\$ it reached in mid-December.

On a total return basis, the **ALSI (J203)** ended the month of December 3.2% higher, inclusive of a dividend yield of 0.1%. On a size basis, the **Mid Cap (J201, 5.1%)** index was the significant outperformer relative to both the **Top40 (J200, 2.8%)** and the **Small Cap (J202, 3.8%)** indices. Similar to the all share versions, the performance of the flagship large cap FTSE/JSE index (Top40) index was in line with its capped weighted counterpart, the **CPI40 – (J300, 2.8%)**, and the shareholder weighted version outperformed both of those: **SWIX40 – (J400, 4.3%)**. **The equally weighted Top40 (ETOP) index performed in line with the SWIX40, increasing by 4.2%**. The strength in the rand and foreign equity buying provided a great underpin to Financial and Industrial stocks, and platinum stocks also staged a great recovery. This is evident in the best-performing Top40 shares for the month: **Implats (IMP, 15.9%)**, **ABSA (ASA, 15.7%)**, **Truworths (TRU, 14.1%)**, **Angloplats (AMS, 14.1%)** and **Standard Bank (SBK, 13.1%)**. But, the currency strength hurt all Rand-hedge stocks and gold underperformed platinum. Amongst worst-performing Top40 shares were **British American Tobacco (BTI, -8.0%)**, **Goldfields (GFI, -5.9%)**, **Anglogold Ashanti (ANG, -5.7%)**, **Richemont (CFR, -3.3%)** and **Sasol (SOL, -3.2%)**.

## 10 largest companies in Top40 index by free float market cap – comparative weights (%) of different indices

Company	BBEWT40 (ETOP)	Top40 (TOPI)	CAP140 (CTOP)	SWIX40 (DTOP)
BIL BHP Billiton	2.5	13.3	9.9	6.2
SAB SABMiller	2.5	10.3	9.8	3.2
AGL Anglo American	2.5	7.8	8.2	4.8
CFR Richemont	2.5	7.4	7.8	3.4
MTN MTN Group	2.5	7.1	7.5	11.0
SOL Sasol	2.5	5.0	5.2	5.7
NPN Naspers	2.5	4.7	5.0	5.5
SBK Standard Bank Group	2.5	4.1	4.3	6.3
FSR Firststrand Limited	2.5	2.8	2.9	4.3
OML Old Mutual	2.5	2.5	2.7	2.0

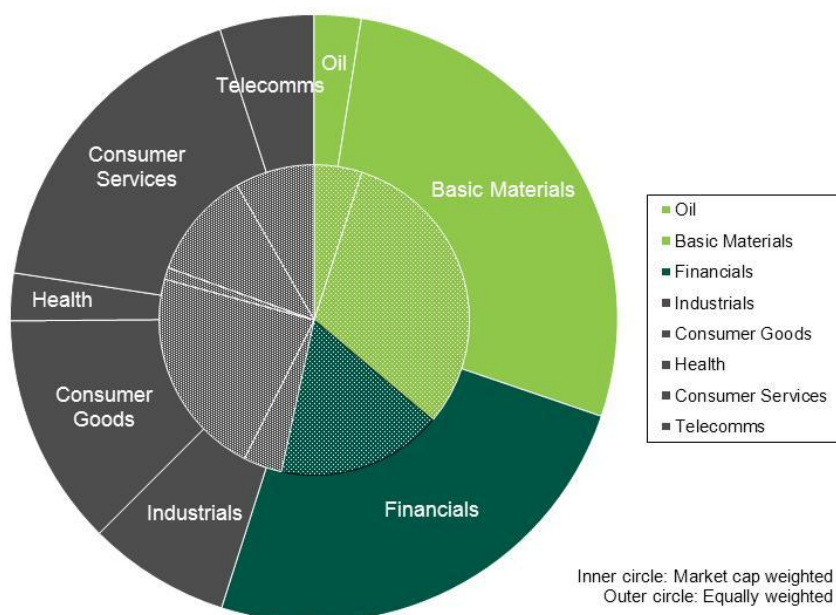
## Historical benchmark performance – indexed to 1000 at 31-Dec-02



## About BettaBeta

BettaBeta is a range of beta building block portfolios and funds offered by Beta Solutions in the Nedbank Capital Global Markets division. Our close affiliation to the Nedbank Group enhances our end-to-end operational abilities and allows us to leverage off the group synergies and reputation. We distinguish ourselves from our peers by the utilisation of a combination of existing and customised beta building blocks to derive lasting solutions for our clients. As a result we have a transparent and rules based passive fund management style. A combination of allocation to these products together with true alpha strategies allows for a significant level of tactical asset allocation possibilities for our clients.

## Sector allocation



## Pricing structure of portfolio

The Manager is entitled to charge certain fees calculated as a percentage of the assets under management. The manager is permitted to charge both an upfront fee in connection with the expenditure incurred and administration performed by it in respect of the creation, issue and sale of securities, as well as an exit fee in connection with the expenditure incurred and administration performed by it in respect of the repurchase of securities. Such fees will be expressed as a percentage of the consideration received from an investor and charged on a sliding scale dependent on the size of the investment.

The upfront fee will not exceed 50 bps and the exit fee will not exceed 100 bps. The Manager may choose at any stage to waive some or all of the upfront fees, exit fees and/or management fees charged in respect of an investment in the BettaBeta Collective Investment Scheme. As with all ETFs, all taxes, duties, administration, transaction and custody charges and brokerage fees will be for the investor's account. These on-going costs are expected to result in a total expense ratio of not more than 50 bps p.a. (currently 39 bps).