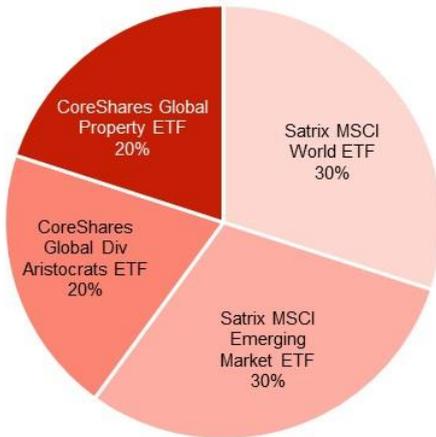


**ETF Allocation****Key Information****Regulation**

Fully compliant with Section 12T of the Income Tax Act

Investment Objective

Capital growth with rand-hedge protection

Risk Profile

High

Investment LimitsMinimum R1 000 – debit order or lump sum
Maximum R33 000 p.a. (current legislation)**Total Fees***Portfolio Management Total Expense Ratio (TER)*

0.50% incl. VAT p.a.

Administration and Custody

0.50% incl. VAT p.a.

All transaction costs, incl. the reinvestment of distributions, are included in these fees**Contact Us****Computershare – Administrator**Computershare (Pty) Ltd
etfia@computershare.co.za
0861 100 917**etfSA – Portfolio Manager & Advisor**

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+27 10 446 0371**Website**

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Market Commentary

The slide on the JSE accelerated in March, closing the 1st quarter of 2018 at the same levels as 6 months ago, entering correction territory by giving up more than 10% from the highs made late in January. Global markets also declined further, but the rand appears to have found a new trading range after strengthening dramatically since mid-November. The bond market was buoyed by the Moody's ratings reprieve and the cut in the repo rate, comfortably outperforming both equities and listed property. Further improvement in the consumer inflation rate means that the real interest rate remains supportive of attracting foreign capital inflows, which could see the rand maintaining its current strong levels. The disconnect between improving economic fundamentals and positive political sentiment on the one hand, and the market turmoil and sharp losses in investment portfolios on the other hand, is testing the resilience of investors everywhere. Now more than ever, it is important to focus on the long-term investment objectives, and not get side-tracked by shorter term volatility. This too shall pass.

Comparative Performance Statistics

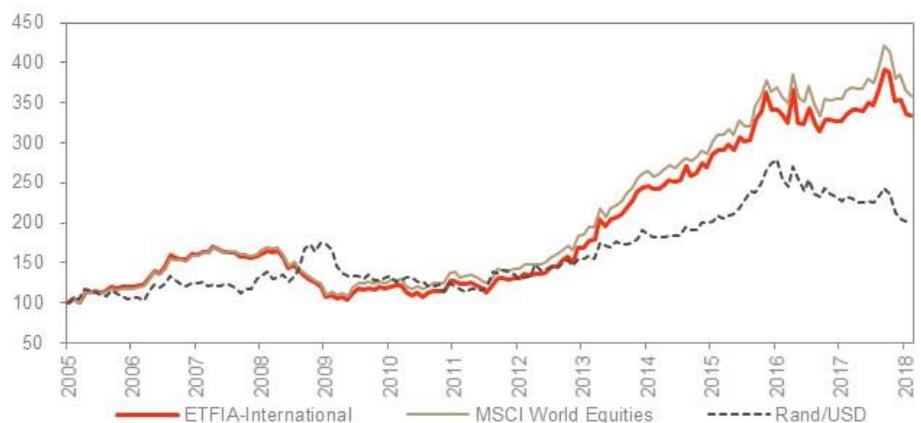
(%)	6m	1 yr	3 yrs (p.a.)	5 yrs (p.a.)
Comparative Benchmark Performance				
Offshore Equities - MSCI World Index	-9.9	-1.8	5.0	13.0
Currency - Rand/USD exchange rate	-12.8	-11.9	-0.8	5.1
Portfolio ETF Performance				
Satrix MSCI World ETF (30%)	-9.9	-1.8	5.0	13.0
Satrix MSCI Emerging Market ETF (30%)	-4.7	10.2	7.4	10.6
CoreShares Global Dividend Aristocrats ETF (20%)	-10.1	-2.1	5.5	13.5
CoreShares Global Property ETF (20%)	-13.2	-7.6	1.1	10.7
ETFIA International Account - Model Portfolio	-8.8	-0.3	4.8	13.5

Note: Refer to Note 1 on back page. Prior to inception, the theoretical historic performance is based on the performance of the respective reference indices of the ETFs selected for this ETFIA International Account. Please note historic performance may not be replicated in future.

Please note: This portfolio has been updated for the 2018/2019 tax year. Investments made in previous tax years will remain unchanged.

Current Portfolio Holdings

Asset class	Description	Weight (%)
	Satrix MSCI World ETF	29.5
Offshore Equity	Satrix MSCI Emerging Market ETF	29.6
	CoreShares Global Dividend Aristocrats ETF	20.7
Offshore Property	CoreShares Global Property ETF	20.2

Historical Performance

Note: The theoretical historic performance of the International Portfolio is based on the selected ETF allocations and reference index performance of the ETFs chosen for this ETFIA



Tax free accounts offered under Section 12T of the Income Tax Act

In February 2015, the SA Government announced a new tax dispensation whereby SA individuals of all ages can invest up to R33 000 per annum, and a lifetime limit of R500 000, in a special tax incentive account. There is no form of tax payable on these accounts – no capital gains tax, no dividend withholding tax, no interest tax and no securities transfer tax. This allowance has been enabled through Section 12T of the Income Tax Act, 1962 and the investors are advised to familiarise themselves with the regulations applying thereto.

Features of the ETF Tax Free Investment Account (ETFIA)

- ❖ Tax free accounts using only low cost, transparent and liquid ETFs as components.
- ❖ Low Costs – 1% per annum includes VAT, total administration, portfolio management and advisory fees. All transaction costs, incl. the reinvestment of distributions, are also included in this fee.
- ❖ Modular design allows for contributions from R1000 at any time, up to a maximum of R33 000 per tax year.
- ❖ Selection of three portfolios offered, giving differentiated exposures and risk profiles. You can also invest in individual ETFs for the full R33 000 amount.
- ❖ Tax free accounts fully compliant with Section 12T of the Income Tax Act.
- ❖ Administrator – Computershare (Pty) Ltd.
- ❖ Portfolio Managers and Financial Advisers – etfSA Portfolio Management Company (Pty) Ltd.

Who should invest in the International Portfolio?

An ETFIA is ideal for investors who want a low cost, transparent investment-linked tax free account. The International Portfolio is suitable for an investor with an investment horizon of at least 10 years – it is designed to provide rand-hedge protection with growth in capital for tax free investments. The portfolio is only suitable for high risk-tolerant investors. The intention of this portfolio is to provide rand-hedge protection over time, through total exposure to foreign ETFs listed on the JSE. This represents a high risk investment as significant losses may occur in the event of rand appreciation. The portfolio does not pay out interest or dividends – any distributions received from underlying investments are automatically reinvested into the portfolio to allow for additional compounded growth on a tax free basis

About etfSA

etfSA is the “Home of Exchange Traded Funds” and is an internet based information and transaction website that provides simple and efficient solutions for investors wishing to discover, understand, manage and profit from the world of Exchange Traded Funds (ETFs).

The **ETF Tax Free Investment Account** provides investors with a managed portfolio of selected Exchange Traded Funds (ETFs) as the underlying investment.

For more information on etfSA, its transaction platform for ETPs and its related products and services:

visit the website www.etfsa.co.za
or contact us on (010) 446 0371

About the Portfolio Manager

Nerina Visser, CFA

for the **etfSA Portfolio Management Company (Pty) Ltd**
a division of

etfSA Investment Services (Pty) Ltd

a Category II Financial Service Provider
(license number 40107)

Notes:

1. The performance of the **Model Portfolio** represents the theoretical performance of the selected ETF allocation without the impact of actual investment cash flows or periodic rebalancing. The performance achieved by an individual investor will depend on the timing and size of specific cash flows.
2. Returns as quoted are net of Portfolio Management and Advisory fees – that is, after deduction of all expenses as quoted in the Portfolio Management Total Expense Ratio (TER).
3. Returns for periods exceeding one year are annualised. All returns are in Rands.
4. All holdings information is based on latest available data. There may be differences in totals due to rounding.

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