

GRINDROD FINANCIAL SERVICES BUYS THE PROPTRAX EXCHANGE TRADED FUNDS

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Grindrod Bank has acquired the Proptrax ETF business with effect from 13th February 2013. Grindrod have purchased Property Index Tracker Managers (Pty) Ltd, which is a Collective Investment Schemes Management Company (MANCO) registered with the Financial Services Board (FSB), that issues the Proptrax ETFs.

Proptrax has, to date, listed two ETFs – the Proptrax SAPY ETF, which tracks the market capitalisation weighting FTSE/JSE Listed Property Shares (SAPY) index; and the Proptrax Ten ETF, which tracks the Ten major JSE listed property shares on an equally weighted basis.

These two products have been successful, particularly with retail investors and offer passive portfolios in the listed property sector, which has been the outstanding sector in terms of performance, on the JSE over the past twenty years.

The FSB still has to give its final approval for the purchase of the Proptrax Manco, but once concluded, will provide Grindrod with access to a Collective Investment Schemes Manco, for the issue of future ETF products.

The following ETFs are currently issued by the combined Grindrod/Proptrax business.

Fund	Current Market Capitalisation (R millions)	Comments
PrefEx ETF	213,9	Tracks the FTSE/JSE Preference Share Index.
Proptrax SAPY ETF	104,2	Tracks the market cap FTSE/JSE Property SAPY Index.
Proptrax Ten ETF	105,2	Tracks an index of top ten JSE listed Property shares equally weighted.
Total	423,3	

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NEWS FLASH

GRINDROD FINANCIAL SERVICES IS THE PROUD NEW OWNER OF THE PROPTRAX RANGE OF LISTED PROPERTY EXCHANGE TRADED FUNDS.

- Proptrax listed the first 2 property ETFs on the JSE with over R200 million assets under management
- Listed property has been a stellar asset class delivering compounded total returns of circa 26%*, per year, over the last 10 years
 - ETFs are low cost, transparent and tradeable instruments and global trends suggest that they will form a much bigger part of our South African market in the future
 - Proptrax is passively managed and listed property is currently yielding 6.8%
 - Resilient is pleased to be partnering with Grindrod Bank and will remain a stakeholder in the property funds
 - Grindrod Bank now manages 3 ETFs in the market having launched PREFEX last year, which is also the first of its kind to track the local preference share market. PREFEX is currently yielding 7.4%
 - These funds will form part of the GTrax range of ETPs brought to the market by Grindrod Bank

* (Inet: historical, 10 year annualized total return to end 2012)

PROptrax
PROPERTY INDEX TRACKER

www.proptrax.co.za