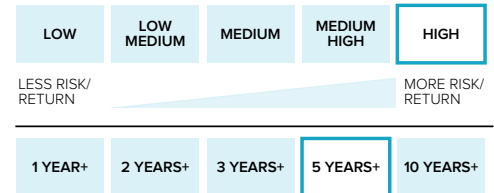


SYGNIA ITRIX TOP 40 ETF

31 MARCH 2020



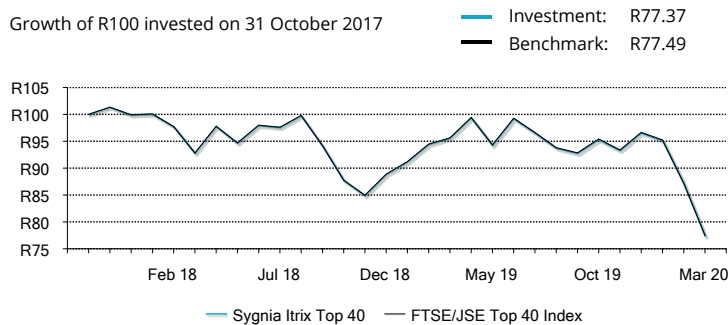
PORTFOLIO MANAGERS SYGNIA ASSET MANAGEMENT
INCEPTION 30 OCTOBER 2017
FUND SIZE R 201 Million
NAV PRICE 4 103 cents
UNITS IN ISSUE 4 899 779

INVESTMENT OBJECTIVE TO REPLICATE THE PRICE AND YIELD PERFORMANCE OF THE FTSE/JSE TOP 40 INDEX
INCOME DISTRIBUTION PAYMENT: DEC 2019 - 87.35134 CENTS PER UNIT
 PAYMENT: JUN 2019 - 70.55234 CENTS PER UNIT
TRUSTEES STANDARD BANK TRUSTEES (021 441 4100)

FUND INFORMATION

Classification	South Africa - Equity - General
Asset Allocation	100% South African Equity
NAV/Index Ratio	ca. 1/1000
Financial Year End	31 December
Index Tracking	Fund tracks the FTSE/JSE Top 40 Index
Dividend Distribution	Semi-annual distribution
NAV Publication	Daily on sygnia.co.za
Portfolio Valuation	Close of relevant market
Foreign exchange source	World Market fix rate 16:00pm EST

CUMULATIVE INVESTMENT PERFORMANCE



Cumulative investment performance is for illustrative purposes only and is calculated using the NAV before any distributable income and management fee.

TOP 10 HOLDINGS

INSTRUMENT	PERCENT
Naspers Ltd	22.8%
BHP Group PLC	11.7%
Compagnie Financiere Richemont SA	10.2%
Anglo American PLC	7.8%
British American Tobacco PLC	3.5%
Prosus N.V.	3.5%
Mondi PLC	3.0%
AngloGold Ashanti Ltd	2.7%
Standard Bank Group Ltd	2.7%
FirstRand Ltd	2.6%

HISTORICAL PERFORMANCE

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	YEAR
2017											1.3%	-1.4%	-0.1%
2018	0.2%	-2.3%	-5.1%	5.4%	-3.2%	3.5%	-0.4%	2.2%	-5.6%	-6.8%	-3.2%	4.6%	-11.1%
2019	2.6%	3.6%	1.2%	4.0%	-5.1%	5.3%	-2.7%	-2.9%	-1.1%	2.8%	-2.1%	3.5%	8.7%
2020	-1.5%	-8.4%	-11.2%										-19.8%

RISK STATISTICS

	FUND	^BM
% Negative Months	55.2%	55.2%
Average Negative Month	-3.9%	-3.9%
Largest Drawdown	-23.6%	-23.5%
Standard Deviation	14.8%	14.8%
Downside Deviation	10.2%	10.2%
Highest Annual Return: Dec 2018 - Nov 2019	9.9%	9.9%
Lowest Annual Return: Apr 2019 - Mar 2020	-19.0%	-19.0%
Annualised Tracking Error (Active Return)	-0.06%	-
Annualised Tracking Error (Std Dev of Active Return)	0.09%	-

The risk statistics reflected above are calculated on a 60-month or since-inception basis, depending on which period is shorter. ^Benchmark is the Index.

LISTING INFORMATION

Exchange	JSE Limited
Exchange Code	SYGT40
Trading Currency	ZAR
Portfolio Currency	ZAR
ISIN	ZAE000251351
RIC	SYGT40J.J
Bloomberg Ticker	SYGT40 SJ EQUITY
Trading Hours	9:00 am - 16:50 pm
Transaction cut-off	JSE trading hours

ASSET ALLOCATION

ASSET	PERCENT	ALLOCATION
Domestic Equity	99.1%	<div style="width: 99.1%;"></div>
Cash	0.9%	<div style="width: 0.9%;"></div>

SECTOR ALLOCATION

SECTOR	PERCENT	ALLOCATION
Consumer Discretionary	37.5%	<div style="width: 37.5%;"></div>
Materials	30.3%	<div style="width: 30.3%;"></div>
Financials	15.3%	<div style="width: 15.3%;"></div>
Consumer Staples	8.2%	<div style="width: 8.2%;"></div>
Communication Services	4.0%	<div style="width: 4.0%;"></div>
Real Estate	1.6%	<div style="width: 1.6%;"></div>
Industrials	1.0%	<div style="width: 1.0%;"></div>
Cash	0.9%	<div style="width: 0.9%;"></div>
Other	1.2%	<div style="width: 1.2%;"></div>

PORTFOLIO PERFORMANCE ANALYSIS

PERIOD	SYGNIA ITRIX TOP 40	FTSE/JSE TOP 40 INDEX**
1 Month	-11.2%	-11.2%
3 Months	-19.8%	-19.8%
6 Months	-16.6%	-16.5%
Year to Date	-19.8%	-19.8%
1 Year	-19.0%	-19.0%
Since Inception	-10.1%	-10.0%

Performance of the fund is calculated by Sygnia Asset Management as at reporting date.
 **Price return.

FEES

DESCRIPTION	PERCENT
Annual Management Fee	0.12% per annum (excluding VAT)
Total Expense Ratio (TER)	0.21% (March 2020)
Transaction Costs (TC):	0.05% (March 2020)
Total Investment Charge (TIC):	0.26% (March 2020)

FIND OUT MORE ABOUT OUR FUNDS:
WWW.SYGNIA.CO.ZA



SYGNIA ITRIX TOP 40 ETF

FUND COMMENTARY

SOUTH AFRICA - EQUITY - GENERAL

1ST QUARTER 2020

MARKET PERFORMANCE

The World Health Organisation (WHO) characterised the Covid-19 (coronavirus) outbreak as a pandemic on 11 March. Since then, numerous countries have declared a state of emergency and gone into full lockdown, including the US, UK, Italy, Hungary, the Philippines, Japan and, of course, South Africa. The devastation reached Wall Street which recorded its worst session since 1987 and fell 34% from its peak, while oil prices are down to levels last seen in 2002. The effect also touched the South African All Share Index which found a short-term bottom, 36% from its January peak.

World governments have compared Covid-19 to a war, noting significant human and economic global challenges, and the impact on global GDP is somewhere between a natural disaster and a deep recession. 2020 growth will follow the pattern of a natural disaster, with the deepest GDP fall since World War II, but is expected to rebound sharply by the end of the year. However, lingering uncertainty, job losses and business closures will weigh on demand until at least the end of 2021. There have been seven global recessions over the last century of this magnitude: two driven by war (World Wars I and II), two driven by balance sheet recessions (the 1930s Great Depression and the 2008 Great Financial Crisis), two driven by oil shocks (1973 and 1981) and now the first to be driven by a global pandemic.

Across the globe, countries are waiting for infection rates to peak and hoping that a second round of infections will not start as countries come out of lockdown. The main focus right now is the US, which has more cases than anywhere else. US unemployment claims surged to 10m over two weeks. More than ten times its previous peak in 1982. After two weeks of measured optimism, Trump shifted dramatically and has extended the policy of "social distancing" until at least 30 April. Risky assets, like equities, will turn a corner when evidence emerges that the coronavirus is being brought under control.

An abundance of central bank actions have propped up liquidity, reducing borrowing costs and, most importantly, keeping the dollar from strengthening too far (an overly strong dollar would cause monetary systems to freeze).

The Fed has cut policy rates by 150 bps and restarted "QE infinity" with \$700bn of asset purchases, including credit bonds. The ECB has allowed banks to run lower capital ratios, raised their QE programme by €120bn and announced a new €830bn programme of bond purchases. The Bank of England cut rates by 65 bps, to a record low of 0.1%, and increased QE. The total

asset purchase target was raised to £645bn. PBOC has lowered the required reserve ratio by 50, to 100 basis points. Many other countries have cut rates from between 25 to 100 bps and some have also implemented QE.

The BoJ has doubled its buying of ETFs and J-REITs and announced additional commercial paper and corporate debt purchases of JPY 2tn. SA's Monetary Policy Committee (MPC) unanimously cut the repo rate by 100 bps, to 5.25%.

QE has reached new highs, with larger increases than after the GFC of 2008. This has capped the recent dollar rally, which neared 50-year highs, kept liquidity in financial markets and avoided excessively high borrowing costs around the world – a necessary (but insufficient) step for market recovery.

Over \$5tn in fiscal support has been pledged by more than 21 countries to assist consumers and help businesses deal with the impact of global lockdowns. Helicopter money, first brought into play by Hong Kong at the onset of the crisis, is being utilised by the US and other countries.

The US will inject \$2tn into the economy – nearly 5% of GDP – including cash disbursements for consumers and loans for small businesses.

The levels of support are significant, although China is holding back relative to the 2008 crisis. China is also the first country to come out of lockdown, however, with transport levels back to almost 100%. Chinese data generated some hope as official PMIs rebounded in March from record lows and the index rose into expansionary territory, to 52.0 from 35.7. Fiscal support is in place and is the second necessary step for recovery, but is also insufficient on its own.

Both monetary and fiscal policy is in place, and no one can argue that the equity market is not cheap, but it could get cheaper. It will be impossible to call the bottom until there is confidence that infection rates have peaked. On the positive side: markets are fast adapting, and it is vital to stay nimble given the current conditions; Zoom's market cap is now bigger than the big four US airlines combined; the price of uranium has jumped as coal mines close, giving support to a commodity that has been in a bear market for over a decade; and oil tankers are enjoying record profits as cheap oil is in need of storage for the foreseeable future. We remain focused on harnessing the volatility to protect capital for the funds. Locally, bonds are looking closer to their bottoms than SA equities, and the recent Moody's cut is likely to be a positive catalyst that many foreign investors have been waiting for.

RISK PROFILE



TIME HORIZON



FUND PERFORMANCE

The Sygnia Itrix Top 40 ETF delivered -19.8% for the quarter, in line with its benchmark, the FTSE/JSE Top 40 Index. The Fund benefitted from exposure to Naspers, Prosus and AngloGold Ashanti, while its exposure to Sasol, BHP Group and Anglo American detracted from performance.

There were several changes to the tracked index's constituents over the period, including the addition of Reinet Investments and Northam Platinum and the removal of Tiger Brands and Foschini Group.

The Fund remains true to its investment objective of delivering returns that mirror those of the FTSE/JSE Top 40 Index.

DISCLAIMER

Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Collective Investment Schemes (CIS) are generally medium to long-term investments. The value of participatory interests may go down as well as up and past performance is not necessarily an indicator of future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. ETFs trade on stock exchanges and may therefore incur additional costs associated with listed securities. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours. ETFs may invest in foreign securities, which may be exposed to macroeconomic, settlement, political, tax, illiquidity and foreign exchange risks. Additional information on the Index including its performance and tracking error can be viewed on the relevant Fund Fact Sheets on www.sygnia.co.za. A schedule of fees and charges may be requested via admin@sfs.sygnia.co.za or 0860 794 642 (0860 SYGNIA). The complete terms and conditions of your ETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental. These documents may be obtained from www.sygnia.co.za or on request from Sygnia. Nothing in this document shall be considered to state or imply that the Fund is suitable for a particular type of investor.

IMPORTANT INFORMATION TO CONSIDER BEFORE INVESTING

INVESTMENT APPROACH

The Sygnia Itrix Top 40 ETF is a high risk, passively managed index tracking fund, registered as a Collective Investments Scheme, and is listed on the Johannesburg Stock Exchange as an Exchange Traded Fund. The objective of this portfolio is to provide simple access to investors who wish to track the movements of the FTSE/JSE TOP 40 Index through investing in the physical index securities. The FTSE/JSE TOP 40 Index consists of the largest 40 companies, listed on the JSE, ranked by investable market capitalisation in the FTSE/JSE All Share Index. The investment policy of the portfolio is to track the Index as closely as practically and feasibly possible by buying securities included in the Index at similar weighting as they are included in the Index. Whenever the Index gets rebalanced, the Portfolio will purchase the newly included constituent securities and will sell the constituent securities which were excluded from the Index.

BALANCING RISK AND REWARD

The Fund has a 100% strategic allocation to South African equities. The structure of the Fund is dictated by the composition of the FTSE/JSE Top 40 Index. It is a suitable investment for investors seeking higher returns, those who are willing to tolerate higher volatility and investors who aim to maximise capital accumulation over a longer-term time horizon. For changes in the index constituents, please refer to the published SENS. Performance data can be sourced from Bloomberg, Reuters, other data providers and at www.sygnia.co.za.

Collective Investment Schemes (CIS) are generally medium- to long-term investments. The value of units may go down as well as up and past performance is not necessarily an indicator of future performance. CIS are traded at ruling prices and can engage in borrowing and scrip lending. Equity markets are volatile and the price of equities fluctuate based on a number of factors such as changes in the economic climate, general movements in interest rates and the political and social environment which will also affect the value of the securities held in the unit trust, thereby affecting the overall value of the unit trust. There are regulations in place which limit the amount that a unit trust may invest in securities, thereby spreading the risk across securities, asset classes and companies. The fund may also be exposed to liquidity risk. This relates to the ability of the unit trust to trade out of a security held in the portfolio at or near to its fair value.

Annualised performance figures represent the geometric average return earned by the fund over the given time period. Unannualised performance represents the total return earned by the fund over the given time period, expressed as a percentage.

Performance is calculated based on the NAV to NAV calculation of the portfolio. Individual investor performance may differ as a result of initial fees, the actual investment date and dividend withholding tax.

FEES

A schedule of fees and charges is available on request from Sygnia Itrix. Permissible deductions may include management fees, brokerage, STT, auditor's fees, bank charges and trustee fees. Sygnia Itrix ETFs are Exchange Traded Funds that trade on stock exchanges and may therefore incur additional costs associated with listed securities. Sygnia Itrix does not provide advice and therefore does not charge advice fees.

WHAT IS THE TOTAL EXPENSE RATIO (TER) AND TRANSACTION COSTS (TC)?

The total expense ratio (TER) is the annualised percentage of the Fund's average assets under management that has been used to pay the Fund's actual expenses over the past year. Transaction costs are a necessary cost in administering the Fund and impact Fund returns. They should not be considered in isolation as returns may be impacted by many other factors over time, including market returns, the type of financial product, the investment decisions of the investment manager and the TER. Since Fund returns are quoted after the deduction of these expenses, the TER and Transaction Costs should not be deducted again from the published returns. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return.

CUMULATIVE INVESTMENT PERFORMANCE

Cumulative investment performance is for illustrative purposes only. The investment performance is calculated by taking all ongoing fees into account for the amount shown, with income reinvested on the reinvestment date.

EXCHANGE TRADED FUNDS VS UNIT TRUSTS

Whilst both unit trusts and ETFs are regulated and registered under the Collective Investment Scheme Control Act, ETFs trade on stock exchanges just like any other listed, tradable security. Unlike a unit trust, which can be bought or sold only at the end of the trading day, an ETF can be traded intraday, during exchange trading hours.

HOW ARE NAV PRICES CALCULATED?

Net Asset Value (NAV) prices are calculated on a net asset value basis, which is the total market value of all assets in the portfolio including any income accruals and less any permissible deductions from the portfolio divided by the number of units in issue. The price at which ETFs trade on an Exchange may differ from the NAV price published at the close of the trading day, because of intraday price movements in the value of the constituent basket of securities.

DISCLAIMER

Sygnia Itrix (RF) (Pty) Ltd is a registered and approved Manager under the Collective Investment Schemes Control Act, 2002 (Act No 45 of 2002). Sygnia Asset Management (Pty) Ltd (FSP No 873), an authorised financial services provider, is the appointed investment manager of the fund. Sygnia Itrix does not provide any guarantee with respect to the capital or return of the portfolio. Nothing in this minimum disclosure document will be considered to state or imply that the collective investment scheme or portfolio is suitable for a particular type of investor.

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You should be aware that certain transactions give rise to substantial risk. Product values may be affected by market values, interest rates, exchange rates, volatility, dividend yields and issuer credit ratings. The complete terms and conditions of your ETF investment are contained in the fund's offering circular, pre-listing statement, programme memorandum and/or supplemental. These documents may be obtained from www.sygnia.co.za or on request from Sygnia.

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Registration No. 2004/035580/07

Minimum Disclosure Document - Issue Date: 09 Apr 2020

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