

# 10X Yield Selected Bond Exchange Traded Fund

31 JANUARY 2024

Minimum Disclosure Document



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www.10x.co.za

## About 10X

10X Investments began investing money in 2007 and currently has R45 billion under management. We manage a range of investments from pensions to discretionary investments.

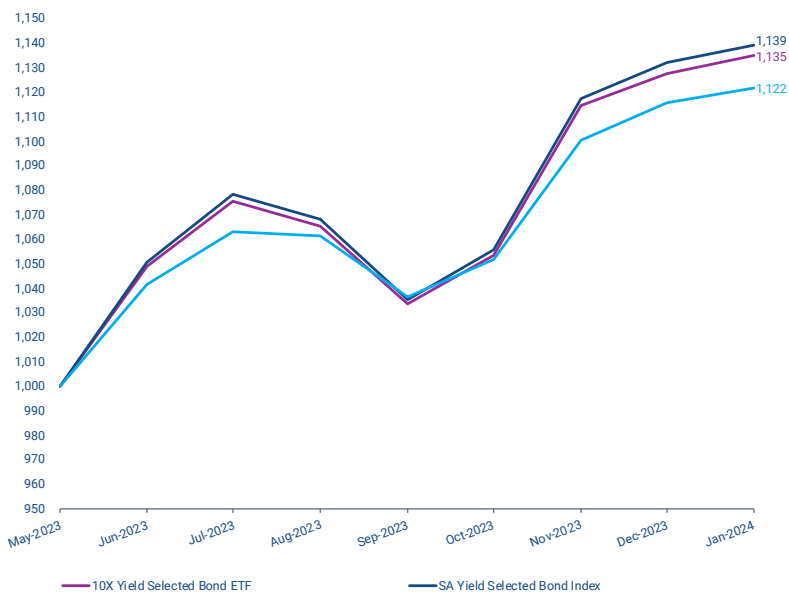
10X Index Fund Managers has been authorised since 2018 as a manager of Collective Investment Schemes.

## About the fund

The investment objective of the Fund is to provide income to investors and capital growth over the long term by tracking the price and yield performance of the South African Yield Selected Nominal Bond Index ("the Index") which consists of a fixed number of South African nominal bonds. The portfolio will attempt to place an investor in substantially the same position, from a capital and income perspective, as if they held the underlying constituents of the Index and in their correct weightings.

The Fund offers low-cost exposure to the highest yielding bonds issued by the Republic of South Africa and is an ideal building block in a diversified investment portfolio.

R 1,000 invested on 31 May 2023



SOURCE: 10X Investments, SPDJI, Morningstar. Total Return.

## Fund Facts

Fund manager:	10X Investments (Pty) Ltd															
ASISA classification:	SA - Interest Bearing - Variable Term															
Regulation 28:	Compliant															
Ideal time horizon:	3 years and longer															
Benchmark:	South African Yield Selected Nominal Bond Index															
Risk profile:	Moderate															
NAV:	R 10.44															
Shares in issue:	31 189 316															
Management fee:	0.25% plus VAT															
Ongoing charges:	<table><tr><td>Management fee</td><td>0.25%</td></tr><tr><td>Charges by third parties:</td><td></td></tr><tr><td>- VAT</td><td>0.04%</td></tr><tr><td>- Other costs</td><td><u>0.24%</u></td></tr><tr><td>TER</td><td>0.53%</td></tr><tr><td>Transaction costs</td><td><u>0.14%</u></td></tr><tr><td>TIC</td><td>0.67%</td></tr></table>		Management fee	0.25%	Charges by third parties:		- VAT	0.04%	- Other costs	<u>0.24%</u>	TER	0.53%	Transaction costs	<u>0.14%</u>	TIC	0.67%
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Distribution frequency:	March, June, September, December															
Last distribution:	29.3400															
Fund size:	R 611 million															
Yield to maturity:	11.9% <sup>1</sup>															
Fund inception date:	31 May 2023															
JSE share code:	CSYSB															
Valuation time:	17h00															
Cut off time:	14h00															

## Fund and benchmark return vs ASISA category average

	1 Month	3 Month	1 Year	3 Year	Since Inception
10X Yield Selected Bond Exchange Traded Fund	0.7%	7.7%			13.5%
South African Yield Selected Nominal Bond Index	0.6%	7.9%			13.9%
ASISA South African - Interest Bearing - Variable Term	0.5%	6.6%			12.2%

SOURCE: 10X Investments, S&P DJ Indices and Morningstar. All returns greater than 12 months are annualised. Returns represent the net total return and distributions are reinvested.

## Top 10 Holdings as % of fund

RSA R2048 8.75% 280248	12.7%
RSA R2053 11.625% 310353	12.7%
RSA R214 6.5% 280241	12.5%
RSA R209 6.25% 310336	12.1%
RSA R2044 8.75% 31012044	12.0%
RSA R2040 9.00% 31012040	12.0%
RSA R2035 8.875% 280235	11.9%
RSA R2037 8.5% 310137	11.8%

<sup>1</sup> Yield to maturity is the discount rate that equates the present value of the bond's future cash flows until maturity to its price.

### Custodian and Trustee

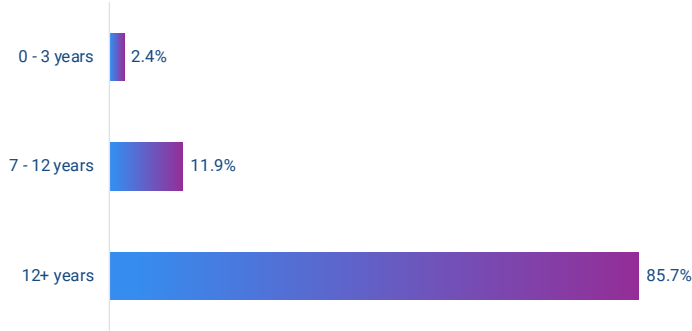
Rand Merchant Bank, a division of FirstRand Bank Limited  
Tel: 087 736 1732

### Management Company

Office 01401, 14th Floor, The Terraces  
Cnr Bree and Waterkant Street  
Cape Town, 8001  
Tel: 021 412 1010  
Email: info@10x.co.za

# About the fund (continued)

## Maturity profile



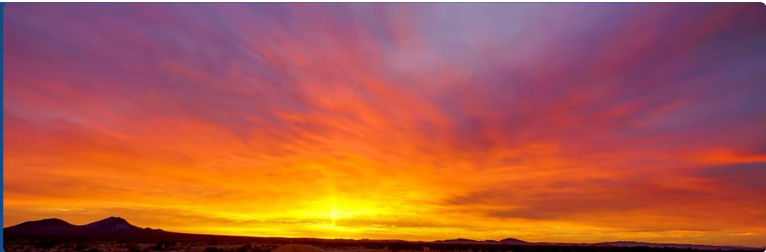
SOURCE: 10X Investments.

## Last 12 months of distribution

Month	Cents per unit
December 2023	29.40
September 2023	22.99

## Why choose this fund?

- ✓ It is suitable for conservative investors
- ✓ Diversification benefits in a multi-asset portfolio
- ✓ Earn stable income and capital growth
- ✓ Higher returns than money market fund



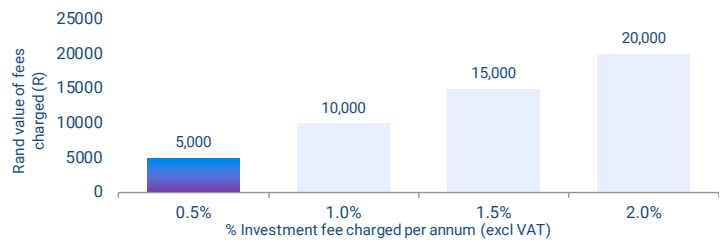
## Low fees

**10X charges low total fees to ensure investors save more of their money, and keep more of the investment return.**

10X encourages investors to know the fees that they pay. Calculating that fee is as simple as multiplying the charge by the investment balance. For example, for a R1 million investment balance, paying a 1.5% Excel VAT fee to your investment manager means paying R15,000 per year if there is no growth on the investment.

Importantly, not only do you pay your fee to the investment manager, you lose the potential growth you could have earned on that fee in future. This makes fees such an important aspect when choosing an investment.

## Rand value of investment management fees charged ex VAT per annum on R1m investment value



SOURCE: 10X Investments. The Rand Value of Investment Management Fees Charged p.a.

## Disclaimer & Footnotes

10X Fund Managers (RF) (Pty) Ltd ("the Manager"), is a company incorporated in South Africa registered as a manager of collective investments schemes in securities in terms of Section 42 of the Collective Investments Schemes Control Act and is regulated by the Financial Sector Conduct Authority. The registered address of the Manager is 14th Floor, The Terraces, 34 Bree Street, Cape Town, 8001. The Trustee and Custodian is FirstRand Bank Limited, Tel: 27 11 282 8000, Address: 3 Merchant Place, Cnr Fredman Dr and Bute Lane, Sandton, 2196. The Investment Management of the portfolio is outsourced to 10X Investments is authorised in terms of the FAIS Act to provide cat II Discretionary Financial Services FSP #28250. 10X Fund Managers is the manager ultimately accountable for the management of the scheme and the portfolios. Client and Asset administration is outsourced to Prescient Fund Services (Pty) Limited, Tel: +27 21 700 5475; Address: Prescient House, Westlake Office Park Otto Close, Westlake, 7945, Cape Town. This document and any other information supplied in connection with 10X Investments is not "advice" as defined and/or contemplated in terms of the Financial Advisory and Intermediary Services Act, 2002 and, therefore, investors are encouraged to obtain their own independent advice prior to buying participatory interests in CIS portfolios issued by the Manager. Participatory interests in the portfolios issued by the Manager qualify as investment instruments for the purposes of Tax-Free Savings and Investment account by virtue of Section 12T of the Income Tax Act (available on certain LISP's). Collective investments 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 deductible expenses such as audit fees, brokerage, and service fees. Actual investment performance of the portfolio and the investor will differ depending on the initial fees applicable, the actual investment date, and the date of reinvestment of income as well as dividend withholding tax. Collective investment schemes are generally medium to long-term investments. The value of participatory interests or the investment may go down as well as up. Past performance is not necessarily a guide to future performance. Past portfolio performance is measured on a rolling monthly basis. The Manager does not provide any guarantee either with respect to the capital or the return of the portfolio. Collective investment schemes are traded at ruling prices and can engage in borrowing and scrip lending. The portfolio may borrow up to 10% of its net assets on a temporary basis. Such borrowings are permitted only to meet the portfolio's obligations in relation to (i) the administration of the portfolio relating to purchase or sale transactions; and/or (ii) the redemption or cancellation of participatory interests in the portfolio. Borrowings in relation to (i) the administration of the portfolio relating to purchase or sale transactions are only permitted for a period of up to 8 calendar days, and in respect of (ii) redemption or cancellation of participatory interests in the portfolio, borrowings are limited for a period of 61 calendar days. A schedule of fees and charges and maximum commissions is available on request from the Manager free of charge. There are no performance fees charged in the portfolio. Commission and incentives may be paid and if so, would be included in the overall costs. The portfolio may from time to time invest in foreign securities which could be accompanied by additional risks such as macroeconomic risks, political risks, foreign exchange risks, tax risks, settlement risks as well as potential limitations on the availability of market information. Additional information on the portfolio such as the annual reports, brochures and quarterly general investor reports are published on our website ([www.intermediaries.10x.co.za](http://www.intermediaries.10x.co.za)) and will also be made available to investors on request free of charge, the application form for investment in a portfolio will be made available to investors on request. The Manager has a right to close the portfolio to new investments at any time in order to be managed more efficiently in accordance with its mandate. 10X Investments shall, wherever possible, avoid situations which may cause conflicts between the interests of the Manager and the interests of investors. Where it is not possible to avoid conflicts of interest, 10X shall disclose to investors all conflicts or possible conflicts and the manner in which such conflicts are managed. Total expense ratio (TER) is a measure of a portfolio's assets that have been expended as payment for services rendered in the management of the portfolio or collective investment scheme (CIS), expressed as a percentage of the average daily value of the portfolio or CIS calculated over rolling three year periods coinciding with a calendar quarter end and annualised. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER may not necessarily be an accurate indication of future TER's. Transaction costs (TC) is a measure to determine the costs incurred in buying and selling the underlying assets of a portfolio or CIS, expressed as a percentage of the average daily value of the portfolio or CIS calculated over a period of three years on an annualised basis. TC are a necessary cost in administering the portfolio or CIS and impacts returns. It should not be considered in isolation as returns may be impacted by many other factors over time including market returns, the type of portfolio or CIS, the investment decisions of the investment manager and the TER. Total investment charges is a measure of the total value of portfolio incurred as costs relating to the investment of the portfolio or CIS. The NAV is published daily and is available on the website ([www.intermediaries.10x.co.za](http://www.intermediaries.10x.co.za)).