

NewFunds Shari'ah Top 40 Exchange Traded Fund

Minimum Disclosure Document

Report Date: 28 September 2018

Fund Objectives

The Shari'ah Top 40 Index ETF is an investment instrument created to comply with Islamic ethical investing, it gives investors diversified exposure to the broad market and allows investors to earn a market related performance while still complying with the Shari'ah principles of investing. The NewFunds Shari'ah Top 40 Index ETF tracks the price* performance of the FTSE/JSE Shari'ah Top 40 Index, an Index is designed to reflect the Shari'ah compliant companies identified from the FTSE/JSE Africa Top 40 Index by Yasaar Limited (Yasaar).

Yasaar Research Inc scholars represent all of the major Shari'ah schools of thought, creating a best practise approach that has credibility across all regions of the Islamic world.

The Shari'ah Top 40 ETF is structured as a Financial Services Board (FSB)- approved Collective Investment Scheme Portfolio, issued under the NewFunds CIS umbrella. Listed on the JSE Limited, the Shari'ah Top 40 ETF provides investors with a daily disclosed, low-cost, and easy-to access investment product that conforms to Shari'ah principles.

Fund Details

Issuer	NewFunds CIS	Annualised TER**1	0.20%
Manager	NewFunds (Pty) Ltd	Maximum Management Fee²	0.40%
Originator	Absa Bank Limited acting through Absa CIB division and Absa Alternative Asset Management (Pty) Ltd	Transaction Cost³	0.06%
Trustees	Standard Bank (SA) Ltd	Effective Annual Cost (EAC)⁴	0.31%
Benchmark index	FTSE/JSE Shari'ah Top 40 Index	Risk Profile⁵	Aggressive
Sector	Exchange Traded Funds	Index rebalance frequency	Quarterly
Fund Category	South African – Equity – Large Cap	Dividend frequency	Mar, Jun, Sep & Dec
JSE code	NFSH40	No. of securities issued	15,575,446
ISIN	ZAE000130431	Ex Div Date of last distribution	18/07/2018
Base currency	ZAR	Amount of last distribution	1.99 cents per index security
Listing date	06/04/2009	Net distribution payment	1.59 cents per index security
Net Asset Value	51,092,002	Next distribution payment	Ex Date 17/10/2018 Record Date 19/10/2018 Pay Date 22/10/2018
		Fund Valuation	17h00
		Tracking Error	0.06%
		Daily price information	etfcib.absa.co.za

* A price return ETF pays out distributions to investors. Investors are advised to speak to their tax or financial advisor about the tax treatment of distributions.

** As published on Finswitch for the quarter ended 28 September 2018

Benefits

- **Diversification:** exposure to the whole market / asset classes
- **Liquidity:** Absa market maker provides full liquidity to enable investors to easily buy or sell the ETF
- **Transparency:** The ETFs constituent assets, holdings and investment methodology are published regularly
- **Lower costs:** due to ETFs being passive in nature, they tend to have a low fee structure than actively managed funds
- **Investor protection:** ETF securities are fully backed by the underlying assets
- **Traded like a share:** ETFs are funds listed and traded like ordinary shares on a stock exchange
- NewFunds ETFs are registered as Collective Investment Schemes (CIS)

ETF Performance⁶ History as of 28 September 2018*

Performance Period	NewFunds Shari'ah Top 40 ETF	FTSE/JSE Shari'ah Top 40 Index
Return since inception	6.81%	6.33%
1 year return	5.36%	4.48%
2 year return	5.78%	3.92%
3 year return	4.01%	2.96%
4 year return	-2.37%	-3.31%
5 year return	0.41%	-0.35%

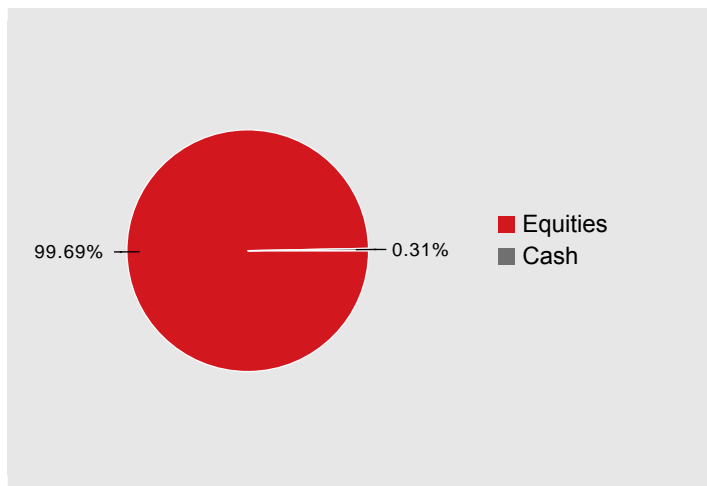
Income Distribution in the past 12 months

Month	Net Income in Cents
December 17	2.05
April 18	4.65
July 18	1.59

Risk statistics since listing*

	Highest annual return	Lowest annual return
NewFunds Shari'ah Top 40 ETF	41.10%	-29.02%
FTSE/JSE Shari'ah Top 40 Index	41.06%	-29.18%

Asset Class Allocation



Top 10 Holdings*

BHP Billiton PLC	32.06%
Anglo American PLC	15.73%
Sasol Limited	14.40%
MTN Group Limited	7.85%
Mondi Plc	7.10%
Vodacom Group	3.73%
Growthpoint Prop Ltd	3.35%
MR Price Group Ltd	2.83%
AngloGold Ashanti Ltd	2.47%
Sappi Ltd	2.46%

Historical NAV chart*



* Source: Absa - September 2018
All returns are annualised. Annualised returns represent an average growth rate of an investment per year, over a given time period.



Contact Information

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NewFunds Investment Plan

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Absa CIB ETPs

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Trustees Information

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Notes

1. The Total Expense Ratio (TER) is a measure of the ETFs assets that have been sacrificed as payment for services rendered (allowable charges per prescribed industry standards) in the management of the ETF (the TER excludes brokerage and transactional costs), expressed as a percentage of the daily average value of the portfolio and calculated over a 12 month rolling period. A higher TER does not necessarily imply a poor return, nor does a low TER imply a good return. The current TER cannot be regarded as an indication of future TERs.
2. Maximum management fee is the maximum fee which the manager charges for the portfolio. Where the TER is lower than the management fee, the Manager has subsidized the portfolios or waived allowable expenses. Such subsidies and waivers are not guaranteed perpetually and a higher TER will incur in the future.
3. The Transaction Cost is the cost incurred in the buying and selling of the underlying assets of an ETF. It is expressed as a percentage of the daily average value of the ETF and it is calculated over a 1 year period.
4. EAC is a measure of the charges that an investor will likely incur by investing in an ETF. It includes the investment management costs (TER and transaction costs), administration costs, advice costs and other costs. Our ETFs do not charge an administration or advice fees, these fees maybe payable through an investment platform chosen by the investor. A schedule of management fees and transactions costs is available on request from the Manager.
5. Through index replication the fund invests in shares only, as a result it lacks diversification into other asset classes. The fund aims to deliver higher growth but can be very volatile during the short term resulting in capital loss.
6. The performance quoted represents past performance and the Manager does not provide any guarantee with respect to capital or future returns of the ETF. Investment return and principal value of an investment will fluctuate so that an investor's shares, when sold or redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance quoted. Performance data current to the most recent month end may be obtained by visiting <http://etfcib.absa.co.za>.
7. The standard deviation of the Fund's monthly returns since inception. This is a measure of how much an investment's return varies from its average over time.
8. Highest annual return represents the highest one year return of the ETF since inception.
9. Lowest annual return represents the lowest one year return of the ETF since inception.
10. Performance is calculated for the portfolio and it differs from individual investments performance due to fees.
11. The fund does not engage in securities lending.

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